Development
Economics
Research
Group

Working Paper Series

13-2021

Ending Poverty in All its Forms Everywhere
What does it mean and why is it not happening?

Johnny Flentø

August 2021

ISSN 2597-1018

University of Copenhagen
Faculty of Social Sciences
Department of Economics
www.econ.ku.dk/derg
#DERGDK

August 2021

Ending Poverty in All its Forms Everywhere

What does it mean and why is it not happening?

By Johnny Flentø[1]

"The difference between what we do and what we are capable of doing would suffice to solve most of the world's problems." Mahatma Ghandi.

Abstract

As the world approaches the halfway point to the target year of 2030 for achieving the Sustainable Development Goals (SDGs) approved in 2015, it is clear that poverty will be far from eradicated by then. Absolute poverty is concentrated in Sub-Saharan Africa (SSA) and overwhelmingly in 12-15 countries where progress in poverty alleviation is largely insufficient to get even close to achieving SDG1. The absolute number of extremely poor people in SSA is increasing and by 2030 it will be larger than the entire population of the European Union. While inequality matters for poverty reduction, it is the inequality between rich and poor nations that stands out. It is crucial to analyse poverty and inequality in absolute numbers. Relative and scale-neutral concepts distort our understanding and shield those who do not want to share just a tiny fraction of their rich countries' wealth with the world's poorest people. SDG1 would be within reach if rich countries shared a tiny fraction of their income. However, OECD countries are increasingly using their official development assistance as finance to support their more pressing foreign and security policy objectives, especially limiting migration, which also promotes redistribution from rich to poor. Europe needs to realize that investing more in Africa is good economics and good for security. Building strong relations with African governments and collaborating in building and strengthening key national institutions are critical both for poverty reduction and promoting peace and security.

Key words

Poverty; Inequality; Sustainable Development Goals; Development assistance

JEL codes

I32; D63; F35

1. Introduction

In 2015, the world community once again declared its ambition to help poor people escape their misery. This time the goal was more ambitious than ever: namely, to eradicate poverty everywhere by 2030, leaving no-one behind. The Declaration of the United Nations General Assembly (UNGA) on the Sustainable Development Goals (SDGs) was adopted as a continuation of the Millennium Development Goals (MDGs), which aimed to cut poverty in half. The MDGs were largely met because of poverty reduction predominantly in China and to a lesser extent in India. Progress was also noticeable elsewhere in Asia but not so in Africa, especially in Sub-Saharan Africa (SSA), in terms of absolute poverty numbers.

As the world approaches the halfway point between 2015 and 2030, it is time to take stock of progress. This study discusses whether we are likely to achieve the poverty eradication goal expressed in SDG1 and the consequences of not achieving it. The paper is organized as follows. Section 2 reviews how poverty is conceived and defined, and why. This is necessary to understand why targets are set and the action the world takes in pursuing them. It allows us to examine where poverty primarily occurs and the dynamics of the challenge by region. Section 3 therefore focuses on absolute poverty at both the global level and across SSA. We consider where poor people live and whether poverty is reducing or increasing in the countries which are worst affected by it. The focus is on investigating poverty by headcount and the relationship between growth and poverty reduction in these countries.

In section 4, our attention turns to inequality in selected SSA countries. SDG1 is associated with SDG10, which encourages reductions in inequality to reduce poverty and achieve broader development goals. We consider Gini coefficients but highlight that the Gini is a relative measure and that a specific Gini coefficient can capture extremely different distributions. We therefore need to know how low the mean of the distribution is and what it means for absolute poverty numbers. This leads us to compare the allegedly high inequality in poor countries against evidence of inequality in Europe. Next, we turn to inequality among countries. We investigate the extent to which international redistribution has the potential to eradicate poverty and how significant a redistribution would be needed to achieve SDG1. In turn, section 5 looks at the trends in current poverty alleviation efforts deployed by rich countries and the options for accelerating poverty eradication. Finally, section 6 concludes.

2. Defining and measuring poverty

2.1. What is poverty?

Poverty involves moral judgement which was originally and is still often embedded in religious beliefs. That is why, despite the longstanding world-wide debate on poverty, there is no single universally agreed definition of the concept. Indeed, there is bewildering ambiguity in how the term “poverty” is used, and this has been so for a very long time. To be clear, the concept of poverty is related to inequality, and poverty is fundamentally a relative concept. Someone who is poor in one context may not be poor in another. Furthermore, inequality has been characteristic of humankind throughout history, but charity has not. When we discuss poverty, it is useful to keep in mind why we are concerned about it and why it became a policy priority.

1/ Senior Advisor, Development Economics Research Group (DERG), University of Copenhagen. Email: johnny.flentø@econ.ku.dk. Special thanks to Research Assistant Søren Balchen Post for crushing the numbers and to Prof. Finn Tarp and Dr. Ines Ferreira for valuable guidance.

The city-states of ancient Greece were the first societies (in Western tradition) that were large and organized enough to produce a significant number of "poor" in a politically defined society. The first stated concept of poverty therefore appeared in the Greek language, which has no specific word for "poor" and uses the term "beggar" instead.

Although there were beggars and homeless people in Athens and other Greek city-states, and sometimes events (war, drought, etc.) which created periodically acute food shortages, there were no moral calls to help the "poor". If these people were not favoured by the gods, why should man bother with them? The beggars and the "poor" were virtually never the subject of any discourse, i.e. they were never the object of any political or religious activity. The poor were considered morally inferior to the rich – more inclined to do evil acts – and poverty was commonly seen as the fault of the poor themselves. The Greeks offered gifts, but not charity. The distinction between philanthropy and altruism is important. Honour, prestige, fame and status were the driving motives behind Greek beneficence.

> *"Honour is the driving motive behind Greek benefice and for that reason the Greek word philotimia (literally, 'the love of honour') means 'generosity, beneficence', not directed towards the poor but to fellow humans in general, especially those from whom one could reasonably expect a gift in return."* (van der Horst, 2014: 1)

Those who gave gifts in return were the "worthy ones" because they acknowledged and respected the principle of reciprocity (quid pro quo), one of the pillars of ancient social life. This was described in simple words by the poet Hesiod around 700 BCE: *"Give to him who gives, but do not give to him who does not give (in return)."*

According to van der Horst (2014), the moral call to "help the poor" comes from the Jewish tradition, in which the ideas and institutions of alms originate. These institutions are mentioned in the Torah and the Book of Job and include the *quppah*, the money chest which supported the local poor with a weekly donation, and the *tamhuy*, the soup kitchen which was open to people in need including non-Jews. The focal point is the emergence of the Jewish community and city-state in and around Jerusalem, where addressing issues related to the lowest classes may have been necessary earlier than in Athens and Rome (around 1,000 BCE) because of population density and lack of resources.

Turning to the Roman state, its intellectual and cultural inspiration came primarily from the Greek states during the early Hellenistic period. However, around the time of the birth of Christ, Rome had become so large (with a population of about 1 million) that for the first time it had a "class" of poor that was big enough to require political attention.

> *"Although throughout Greek and Roman history it was acknowledged that some men were poor, only in the late Roman Republic and the imperial period did poverty begin to be seen as a social and political problem."* (Osborne & Atkins 2019: 2)

Whether in Rome or Jerusalem, political recognition and objectification of those individuals in society who had nothing first arose when they became politically and structurally relevant and necessary. The Apostle Paul preached the gospel in Ephesos and Corinth around 50 BCE and was chased to the gates by the regular inhabitants. When he came to Rome ten years later, there was an underclass who appreciated hearing a message of pity and love and who, 250 years later (312 BCE), had become so large and powerful that, to hold on to power, Constantin considered himself politically obliged to make Christianity a state religion.

Instead of viewing mercy and altruism towards the poor as a somewhat natural inclination or social mechanism (from a Darwinian positivist perspective), it is more useful to try to understand the phenomenon which emerged from different power relationships and events in a historical context. It can be argued that when it became politically relevant to address the needs of the poor, the poor became "blessed".

While the Reformation weakened the Catholic Church in the 16th century – by promoting the principles of "Sola Scriptura" and "Sola Fide" and rejecting papal primacy – it also reinforced the Christian moral inclination to assist the poor and pay alms. For Catholics, good deeds are necessary if they are to be saved by God's grace, whereas for Protestants, salvation is imputed by faith itself (Sola Fide). Good deeds are the result – and (at least circumstantial) evidence – of salvation.

Apart from in the Abrahamian religions,[2] poverty as a moral concept was promoted primarily during the age of the Enlightenment and later by socialism. However, in Europe, the journey from divine command to concepts and ideals that men conceive and understand has been a very long one. The secularization of welfare and charity have endured for several centuries and began in earnest only after the church had enjoyed more than a millennium of a quasi-monopoly on charity to the poor and sick. Centuries of war in Europe (much of it religious) created plenty of misery to take care of as an extensive network of churches, monasteries and hospitals was built as Christian hubs of charity throughout the continent.

It was only after the Westphalian peace – in the late 17th century – had enshrined the principle of sovereignty of the nation state that the path to enlightenment slowly cleared. In writings of the time about inequality not directly related to religion, we find reformers such as Paine, Cordorcet and Bentham laying the ground for concepts such as equal rights, solidarity and utilitarianism. Paine advocated for republicanism and against monarchy and was in favour of popular education and relief for the poor, financed by the levying of progressive income tax. Condorcet challenged religion by arguing that progress of the human mind depends on moral and political enlightenment accompanying enlightenment in the natural sciences. They wrote about the great revolution to fight global inequality during the French revolution and were inspired by the Swiss philosopher Rousseau, who wrote about the will of the general public and the origin and foundation of inequality among people institutionalized by private property rights which disturb the order of nature, where men were created equal, free and peaceful (Thielst, 2006). In contrast to the concept of poverty, which is relative, the whole idea of inalienable rights is an absolute concept promoted primarily by Western governments as being universal.

While among Abrahamian religions, the debate about poverty is essentially centred on the lower end of the income distribution and the moral obligation to assist the poor who are innocent, the essence of solidarity and socialism is to insist on a tale of two tails, i.e. the poor at the bottom and the rich at the top, and the dynamics between them.

Thomas Piketty (2014) recently alluded to this by claiming that global inequality is increasing because the return to wealth is greater than economic growth. In his latest work *Capital and Ideology*, Piketty (2019) arrives at the conclusion that inequality is in the eyes of the beholder or, rather, it is what society believes and, very importantly, accepts it to be. According to Piketty (2019), societies can uphold extreme inequality in wealth as long as they can justify it i.e. as long as the apparatus of oppression or persuasion which the owners have institutionalized manages to unite the society and

[2] Islam adopted the blessing of the poor and the concept of charity known as *sadaqah* in Arabic, likely derived from the Hebrew *tzedakah* meaning charity.

maintain the balance in it. As Piketty also suggests, the fundamental institutions which uphold and increase inequality are national borders and property rights.

"every inequality regime, every inegalitarian ideology, rest on both a theory of borders and a theory of property". (Piketty 2019, p. 5).

The central question then becomes: How concerned are voters in rich countries about the living conditions in poor countries, and why is widespread poverty accepted as if it were a physical law like gravity, i.e. something which can be counterbalanced with effort but which cannot be eliminated? That depends on how voters in rich countries conceive global inequality and what they accept it to be. This has a lot to do with how we portray inequality and the narrative donor countries convey to their taxpayers about the misery of this world. The world's rich overwhelmingly live in societies based on the moral pillars of Abrahamian religions. Combined with inalienable, universal, liberal rights and values, this means that poverty should be eradicated if it can be done with what rich countries consider to be reasonable effort (how much we want to share) and if it is not the poor's own fault that they are poor (i.e. does the rich world believe that the poor themselves are doing enough to work towards our ideals?).

2.2. Measuring poverty

As poverty is a moral judgement of a relative nature, then inequality and poverty need to be understood with reference to a particular society or a certain culture in order to establish what is normal or decent.

The idea of identifying an absolute poverty line was introduced in the late 19th century. One of the pioneers was S. Rowntree, who studied working class families in York in England. He described families whose total earnings were not enough to acquire the minimum necessities for the maintenance of normal functioning as living in primary poverty. Rowntree used the work of American nutritionists like Atwater and Dunlop, who studied the diet and body weight of prisoners. The first, and still highly influential, approach to defining absolute poverty is to measure what it costs to stay alive in a physical condition that allows people to work. It has nothing to do with the cost of living a decent or normal life. The American economist, Molly Orshansky, who defined the US poverty thresholds in the 1960s, was refreshingly candid about what a poverty line is:

> "*For deciding who is poor, prayers are more relevant than calculation, because poverty, like beauty, lies in the eye of the beholder. Poverty is a value judgement; it is not something one can verify or demonstrate, except by inference and suggestion, even with a measure of error. To say who is poor is to use all sorts of value judgements. <u>The concept has to be limited by the purpose which is to be served by the definition.</u> In the Social Security Administration, poverty was first defined in terms of the public or policy issue; to how many people, and to which ones, did we wish to direct policy concern*." (Orshansky, 1969: 244; emphasis added)

Poverty lines are used politically to justify and direct resources. As they are linked to the norms of individual societies, they are numerous and range from around US$1.5 to almost US$100 a day. A poverty line typically equates the income (or level of spending) required to purchase a bundle of essential goods (such as food, clothing, shelter, water and electricity/heating) without which people would be unable to achieve the minimum acceptable standards of living in their society. What is acceptable reflects the norms and political decisions in specific contexts, as alluded to by Piketty (2019).[3]

However, noting that poverty is a moral concept tied to the norms and behaviours in each specific cultural setting, how do we go about defining a universal poverty line which is agreed to be useful guidance for policy and resource allocation by all governments?

Here, it is important to keep in mind that if we allow the definition of poverty to be diluted or if we accept several poverty lines or definitions of poverty then the discussion about who needs assistance will be never-ending. Furthermore, a poverty line should be objectively verifiable, at least to a reasonable degree.

The United Nations World Summit for Economic Development (1995) defined the term as follows:

> *"Absolute poverty is a condition characterized by severe deprivation of basic human needs, including food, safe drinking water, sanitation facilities, health, shelter, education and information. It depends not only on income but also on access to social services."* (UN, 2000).

Operationalizing this, the World Bank in 2015 (World Bank, 2017) set the global poverty line at US$1.90 per day per person.[4] Admittedly, this is a very crude compromise and reflects the lowest possible denominator for policy direction, essentially close to what it costs to survive. However, there are also many advantages to defining an international line for absolute poverty. In principle, it can help bring clarity and focus to policy making and analysis; it allows experts to count the poor, target resources and monitor progress against a benchmark. It also makes it easier to communicate about the extent of poverty.

It is intriguing, however, that, although it is common practice to suggest that the world has agreed on an absolute poverty line, as a tool, this line seems to have little influence in directing policy concern and resources. This is related to the narrative about how we refer to poverty. We often portray it using ratios, i.e. measuring the proportion of the population of a country that lives below the poverty line. Such a concept allows us to report progress in poverty reduction while, paradoxically, an increasing number of people are living in poverty, below the line. Critical issues also apply to the most widely used measure for inequality: the Gini coefficient. This too is a relative measure; it is scale neutral and can blur the picture of poverty and the relevance of poverty reduction efforts.

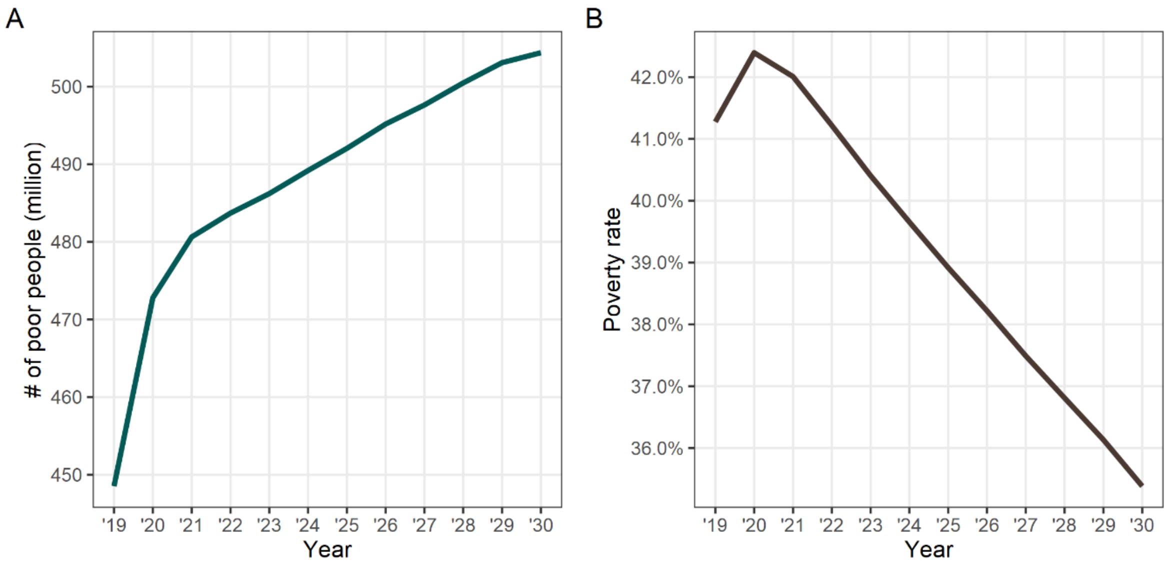
If we only use relative measures, without bringing out the underlying absolute numbers, they can be misleading about the nature and causes of poverty and can result in misplaced debate. If we count those who have just enough for subsistence to sustain life and health, refer to them as poor and then describe them as a *declining* part of a population, stressing that they live alongside richer compatriots who should share more, then we provide the perfect excuse for those who want to do nothing about poverty and use aid budgets for other purposes. This dilemma is illustrated in Figure 1.

---

[3] Piketty alludes to the plantation economies with slavery in the 18th century as some of the most unequal societies in history, although they were still socially accepted and backed by the religious establishments at the time.

[4] People living below the US$1.90 a day poverty line are also referred to as the extreme poor.

Figure 1. The poverty rate versus absolute poverty numbers



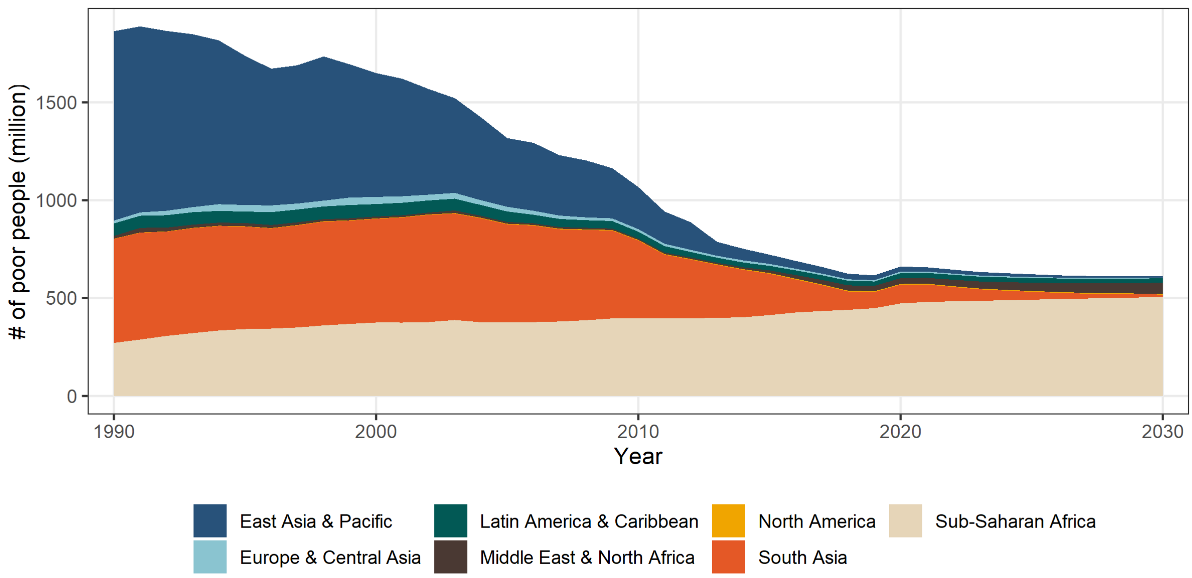
Source: Data on poverty is from Lakner et al. (2020). Projections use the baseline configuration.
Note: A) shows the absolute number of extreme poor in SSA over time. B) shows the poverty rate in SSA over time, i.e. the number of extreme poor divided by population. Extreme poverty is defined as daily consumption below US$1.90 PPP.

In this study, we focus on poverty based on absolute numbers. We ask how many poor people there are and where do they live. Can the poor work their way out of poverty and is it realistic, or even possible, for economic growth to eliminate poverty by 2030? And if economic growth cannot solve the problem, what about redistribution? What is the real potential for poverty eradication by redistribution, nationally and internationally? Once absolute numbers are clear, they help us to discuss how to manage the challenge of poverty eradication, why it is not happening, and why that is very poor economics for everyone.

3. Where are the world's poor and what are their prospects?

Never have so many poor people lived in SSA as today, and their ranks will increase. Furthermore, poverty is not concentrated across SSA; the poor live in a small number of countries. Figures from the World Bank (Lakner et al., 2020) clearly show that poverty is predominantly a problem in SSA. Figure 2 shows the dramatic decreases in poverty numbers in East Asia and Pacific and in South Asia since 1990, while absolute poverty numbers have increased in SSA.

Figure 2. Number of extreme poor by region (in millions)

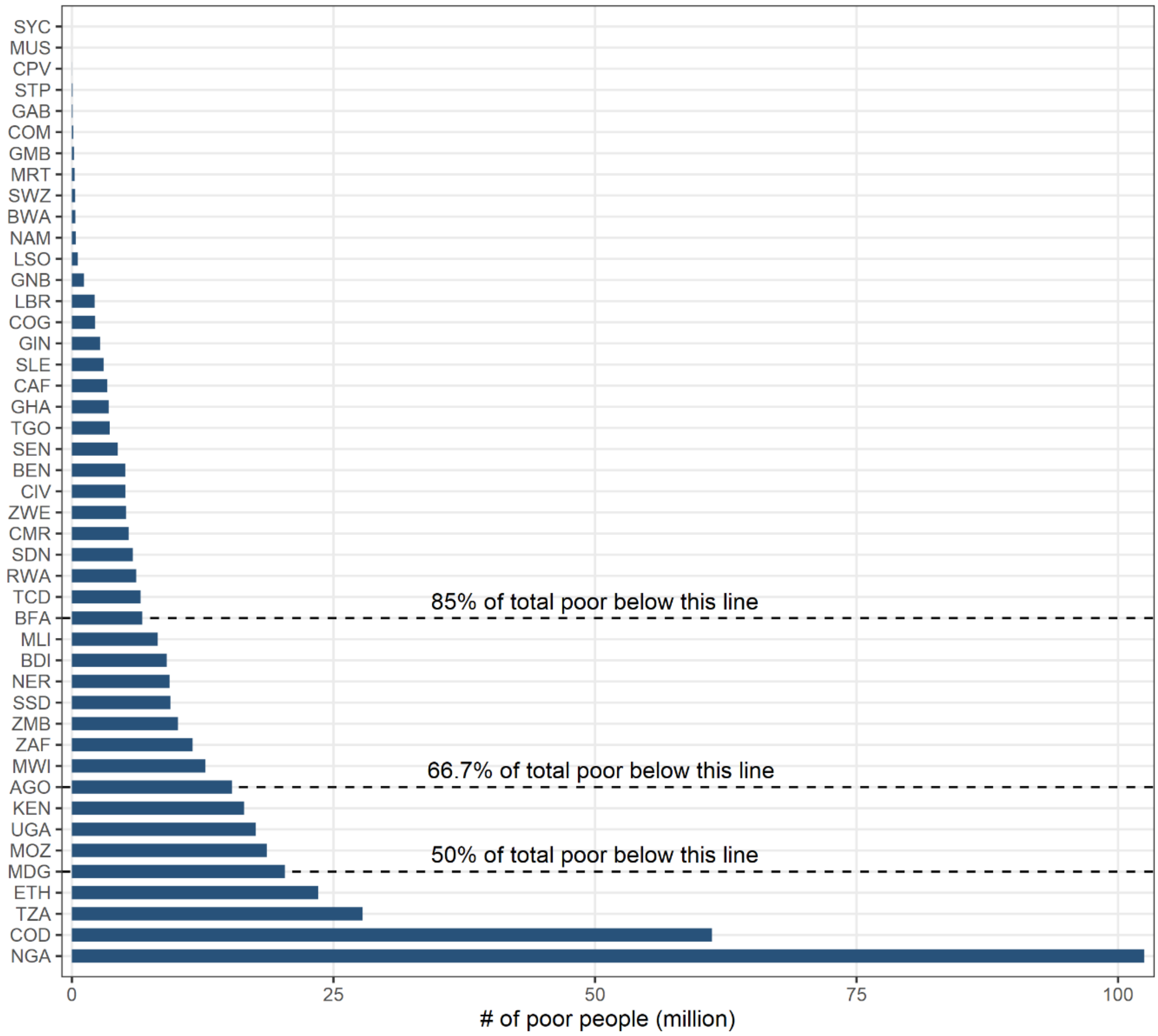


Source: Data on poverty is from Lakner et al. (2020). Projections use the baseline configuration.
Note: The figure shows the distribution of extreme poverty by region over time. Extreme poverty is defined as daily consumption below US$1.90 PPP. Regions follow World Bank definitions, see World Bank (2021a).

Depending on the final impact of the Covid-19 pandemic, it is estimated that between 7 and 10 per cent of the world's population will fall below the poverty line in 2030. Two-thirds of the presently poor live in Africa south of the Sahara and in 2030 this share will be even higher, between three-quarters and four-fifths. In 2018, the SSA region had an estimated 433 million people living in poverty. If the lack of growth in the region over the past decade is replicated in the next decade, the World Bank expects the number of poor to increase to between 443 million (baseline) and 477 million (downside). In both cases, this means that poor people – subsisting on less than US$1.90 a day – in SSA will outnumber all inhabitants in the European Union. Regardless of the scenario, by 2030, SSA will be home to around 75-80 per cent of the world's poor. Therefore, the global poverty goal can only come within reach if there is a dramatic reduction in poverty in SSA.

Where in SSA do the majority of the poor live? Figure 3 shows that half of all poor people in SSA live in just five countries. Three-quarters live in 12 countries and 85 per cent of those below the poverty line in SSA live in just 17 countries, which is only a third of all the states in SSA. The fundamental conclusion is that for SDG1 to be met, it is vital to fundamentally change the state of affairs and people's living conditions in (just) 17 countries.

Figure 3. Distribution of poor people in SSA by country

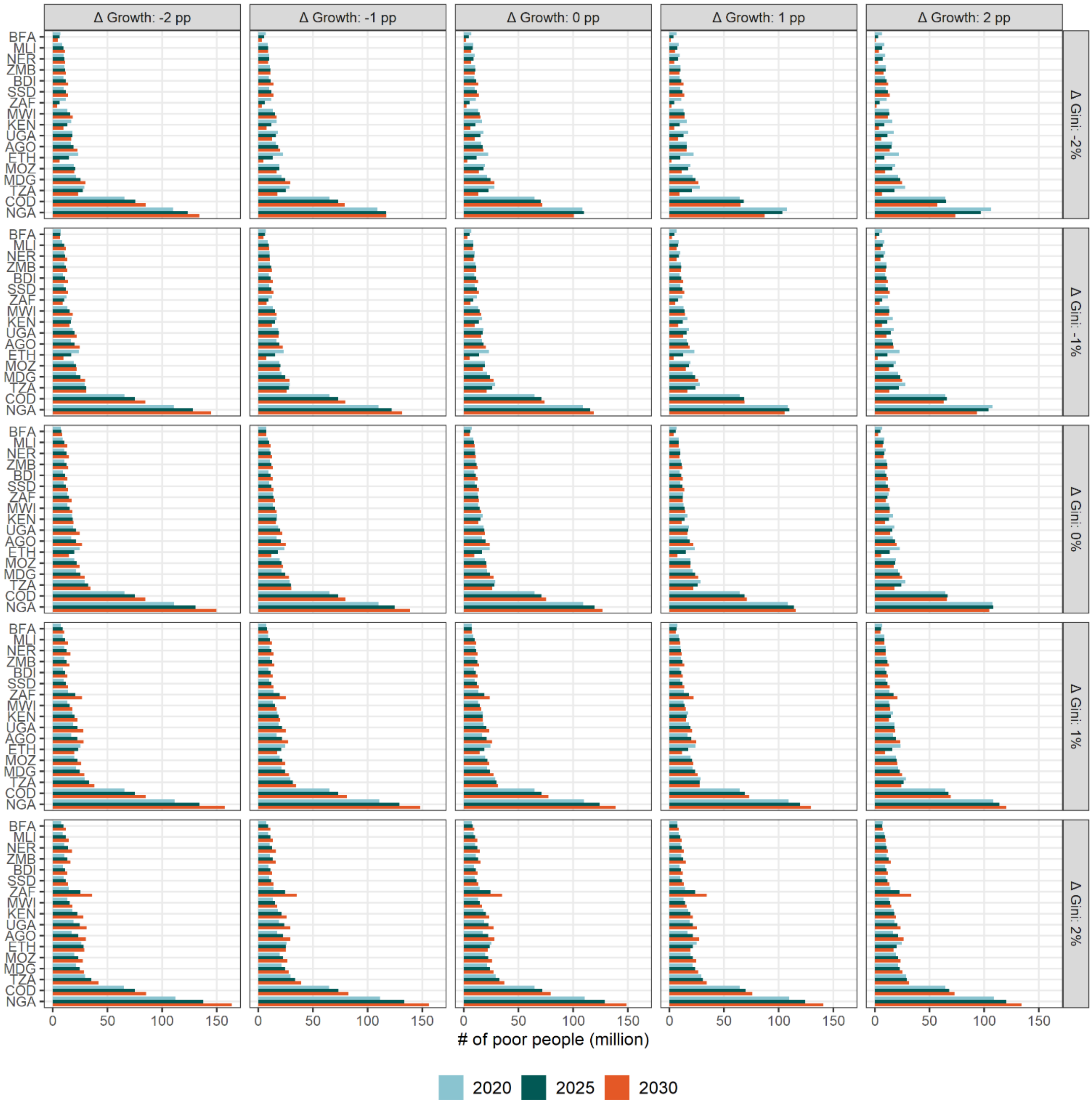


Source: Lakner et al. (2020).
Note: The figure shows the number of extreme poor by country in SSA. Extreme poverty is defined as daily consumption below US$1.90 PPP. Data is from 2019. Country codes are in accordance with ISO3, see UNSTATS (2021).

Will economic growth eradicate poverty? If the abovementioned 17 countries are home to 85 per cent of poor people in SSA, it is crucial to establish whether these countries are on their way to eliminating poverty by 2030. Historical performance does not suggest that economic growth will enable these countries to achieve SDG1 by 2030. A way to gauge this would be to extrapolate present economic growth and the poverty elasticity of growth in each country for the next decade. In other words, we assume that each country continues to perform in the next ten years as it has done on average over the last three years.

The World Bank has projected that SSA would need an annual growth rate of around 8 per cent annual growth to reach its interpretation of SDG1 – a world poverty rate of 3 per cent by 2030. The following model (Figure 4) illustrates the impact of different growth and redistribution rates on the numbers of poor people in the 17 SSA countries which are home to around 85 per cent of the poor in the subcontinent, or around two-thirds of the world's absolutely poor.

Figure 4. Sensitivity of the number of poor in SSA to growth and inequality assumptions[5]



Source: Lakner et al. (2020).
Note: The figure shows the sensitivity in the number of projected extreme poor to different assumptions on growth and inequality. Columns show projections of extreme poverty as the yearly baseline growth is changed. A two-point increase in growth changes the yearly growth by two percentage points. Similarly, rows show how projections change as the Gini coefficient of the income distribution changes. The change in Gini coefficient is distributed with linear growth incidence curve (GIC). See Lakner et al. (2020) for a discussion of how the shape of the GIC affects poverty. Extreme poverty is defined as daily consumption below US$1.90 PPP. The selected countries cover approximately 85 per cent of extreme poor in Sub-Saharan Africa in 2018. Country codes are in accordance with ISO3, see UNSTATS (2021).

[5] The author acknowledges access to the World Bank microdata kindly made available by Lakner et al. (2020).

If we use yearly percentage changes in the Gini and percentage point changes in yearly growth rates over and above historical ones of between -2 for Gini and +2 for growth, we can see no realistic combination of redistribution and growth that will eliminate poverty by 2030. The best, and very optimistic, scenario (upper-right corner) still leaves SSA with more than 200 million poor people. The figure also shows that a few countries could get a long way by evening out income distribution in combination with just moderate growth.

4. Inequality and the poverty gap

Numerically speaking, reduced inequality from redistributing available global income could easily close the poverty gap in developing countries.[6] However, this is not so within countries in SSA except for two or three cases including South Africa. To achieve SDG1, international redistribution must be back on the table and what the rich countries have already promised (but are not delivering) would actually be enough.

If growth alone cannot solve the problem of poverty in SSA before 2030, how much can redistribution help? SDG1 is supported by SDG10, which advocates reduction of inequality in the world.

When analysing inequality, it is first important to distinguish whether the focus is on the stock of wealth (assets) or on the flow of resources (income). As alluded to by Piketty (2019), asset inequality tends to be greater than income inequality. One of the main reasons for this is that people need to survive and therefore need income to eat and shelter. Because everyone needs subsistence income, however low that may be, there is a limit to how unequal income can be distributed. This is not so with assets.

When expressed as Gini coefficients, inequality in wealth in Africa is no higher than in Europe, with both regions scoring at 0.82. The USA is slightly higher at 0.84, second only to the Asia-Pacific region at 0.88 (Credit Suisse, 2019). The Gini coefficient, which is the most-known measure of inequality, is, however, a relative expression of inequality which is neutral to scale. This can easily confuse and even derail the discussion about inequality and poverty because even a very high Gini, if it occurs together with a very low mean, will have less potential for redistribution. According to the dataset of Davies et al. (2017), the mean or average wealth per person in Africa is only around US$5,000 compared to US$45,000 in Asia-Pacific, US$145,000 in Europe and US$340,000 in North America.[7]

In Europe, today's concentration of wealth can be traced back several centuries to medieval times, while in the USA, accumulation and inequality took off in the late 19th and early 20th centuries. This is not so in Africa. For Africans in Africa, the significant accumulation of personal wealth began with independence, prior to which the accumulation of wealth based on trade and production accrued overwhelmingly to non-Africans. Almost no SSA country (except Ethiopia) has been independent from colonial rulers for more than two generations. In the majority of SSA countries, large assets were nationalized after independence and remained so for at least a couple of decades, until the 1980s. This was the time when strong winds of liberalism and privatizations blew across the continent and governments with neoliberal ideas led Europe and the USA.[8] In the socialist countries of SSA, the

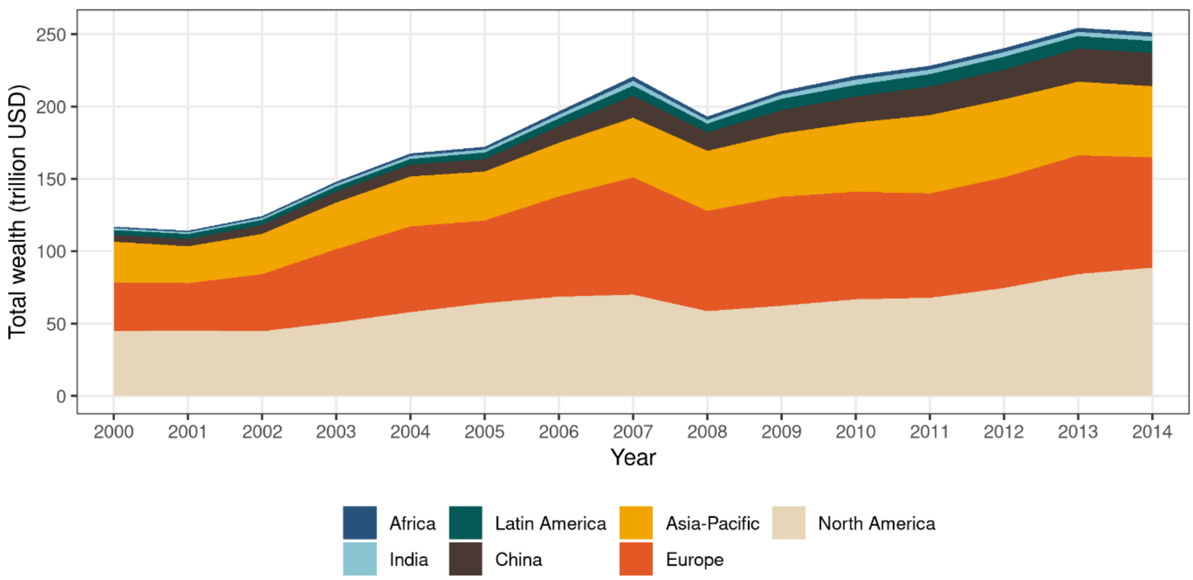
[6] The poverty gap is equivalent to the total cost of bringing the income of those below the poverty line to US$1.90 per day.
[7] Davies et al. (2017) define wealth as the marketable value of financial assets plus non-financial assets (principally housing and land) less debts. Private pension wealth is included, but public pensions are not. The target unit of analysis is the individual adult.
[8] The Soviet Union collapsed in 1992.

accumulation of personal wealth was halted, in principle, for a couple of decades, although a limited number of African leaders appropriated national assets or obtained overseas assets in corrupt deals with foreign companies in exchange for concessions to run and supply government assets. The impact in relation to the oil and mining industry in countries like Nigeria and Angola is well documented (see, for example, Gilles, 2009). However, the number of people involved was not large and much of this wealth has been scattered and lost, in part because it was unlawfully appropriated and did not survive political change.

A smaller number of countries did not nationalize and significant pre-independence assets, especially those that were strategic and the most valuable, remain in the hands of former colonial owners. These assets are often owned by companies involved in natural resources, large-scale infrastructure and land. It is in these countries that we find exceptionally large accumulations of wealth (South Africa, Namibia and the Democratic Republic of the Congo (DRC)).

The results are twofold: accumulation of real wealth by Africans is a relatively contemporary phenomenon, while a significant part of the resource wealth in Africa remains under the control of foreign companies, so the wealth held by African people represents a very small part of the world's total assets (as illustrated in Figure 5).

Figure 5. Wealth by region (trillion USD), 2000-2014



Source: Based on Davies et al. (2017).
Note: The figure shows the distribution of wealth by region over time. Note that regional definitions are different from definitions used elsewhere. Wealth is defined as the marketable value of financial assets plus non-financial assets (principally housing and land) less debts.

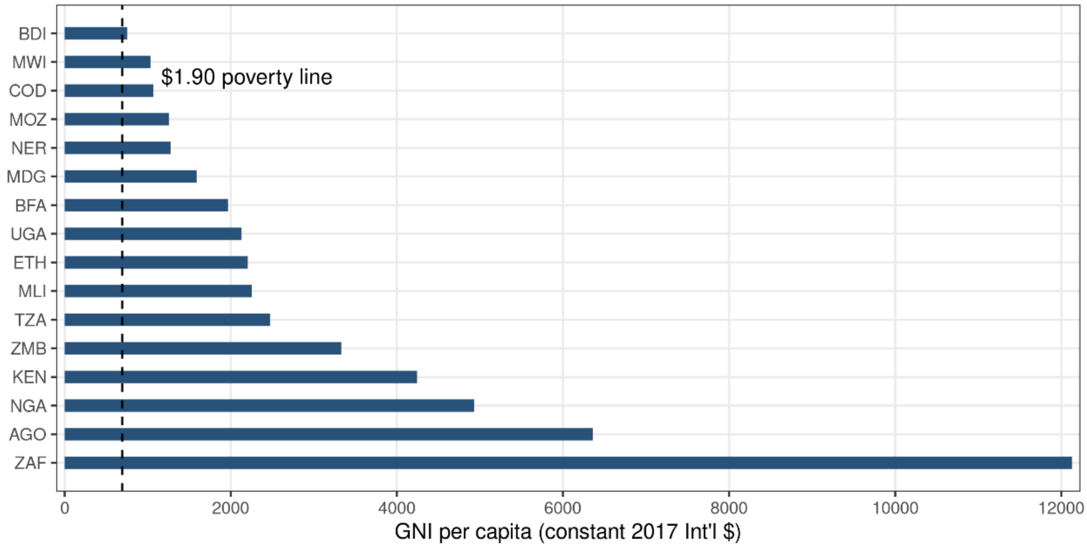
4.1. Reduced income inequality in poor countries: a partial solution for only a few countries

We now turn to income, which determines current levels of poverty and influences future levels of inequality and poverty. Here, we find that using the Gini coefficient to measure income leads to similar issues because of scale neutrality.

According to this relative measure, income inequality is higher in Africa than, for example, in Europe, but in Africa it is associated with a very low mean income. This limits the potential for redistribution of income except in a few countries. Figure 6 shows the World Bank's official poverty line (US$1.90) in relation to the average income in the countries we have identified as the main hosts of poverty.

Of the 16 countries, 11 are least-developed countries (LDCs) and five are middle income countries, including two upper-middle income countries. Importantly, we observe that only around a quarter of the poor in Africa live in countries that have a numerical possibility of poverty eradication through aggressive redistribution; these are South Africa, Nigeria and Angola (with 100 million poor). Kenya is a lower-middle income country, which is considered to be borderline in this context. At the other end of the scale, we have 12 countries hosting 300 million poor where the GNI/capita is less than four times the poverty line. The scope for redistribution to eradicate poverty through income in these countries is very limited.

Figure 6. Poverty line in relation to average annual income in selected countries



Source: World Bank (2021b).
Note: The figure shows the GNI per capita for a selection of countries in Sub-Saharan Africa. Including South Sudan, the selected countries cover approximately 85% of extreme poor in Sub-Saharan Africa. The World Bank does not publish constant dollar GNI estimates for South Sudan, so it has been left out of this figure. Observations are the most recent available for each country (2017-19). The dotted line corresponds to a daily poverty line of US$1.90, i.e. 365 times 1.90. Country codes are in accordance with ISO3, see UNSTATS (2021).

The income Gini coefficients in these countries vary from 0.32 (Mali) to 0.58 (South Africa). If we exclude South Africa, this is slightly higher than in OECD countries – excluding the Nordic countries – with the USA being at 0.48 and France at 0.32, and Italy and the UK, both with a Gini of 0.35, representing the middle ground. But Gini is a relative and scale-neutral concept, the African economies are very small and average incomes are very low. To see what a difference in the Gini coefficient really means and test what the anecdotes about inequality in Africa actually refer to, we applied the average European (Italy's) income distribution to 13 African countries – those shown above minus South Africa, Angola and Nigeria (income above US$5,000/cap.).

Table 1. Potential revenue from redistribution to European standard in 13 SSA countries

Country	BDI	BFA	COD	ETH	KEN	MDG	MLI	MOZ	MWI	NER	TZA	UGA	ZMB
Total income redistributed MUSD	213	290	3188	1070	3258	1353	335	2680	1181	270	1873	2375	5400
USD / poor/year	31	41	56	34	166	76	45	165	95	35	80	144	567

Note: Income distribution calculated by deciles. Data from World Bank and World Income Inequality Database (WIID). Shown in constant 2010 USD.

Table 1 shows that income redistribution to European levels in these 13 SSA countries would redistribute around US$25 billion of annual income. That corresponds to only one-sixth of the OECD's total official development assistance (ODA). Redistribution of income to European standards would have a significant effect only in Zambia. In all the other 12 countries, the redistribution would be far from sufficient to close the poverty gap,[9] giving between US$0.8 and US$0.45 per day to each poor individual. Most of the redistribution would come from the upper decile, but redistribution to European standards would also entail reducing the income of the second decile in most countries. That would mean redistributing income away from people who earn less than US$5 per day to people who earn less than US$1.90 per day.

These are some of the elements that scale-neutral concepts of inequality fail to reveal. Once we relate the Gini coefficient and other relative expressions of inequality to low mean income, absolute dollars and the absolute number of poor, we see that redistribution of income within SSA countries is not sufficient to solve the poverty problem and achieve SDG1 – not by a long shot. And the revenue from this redistribution would be much less than ODA from the OECD.

There is no realistic combination of economic growth and redistribution of income within countries which can bring SSA to achievement of SDG1 by 2030. When the debate about poverty is focused on inequality within countries and in Africa alone, it acts as a decoy. The potential for significant poverty reduction through the redistribution of wealth and income is limited to very few countries in SSA, primarily South Africa and Angola.

4.2. Reducing inequality between countries: much greater potential

Global inequality does not appear to increase when measured by the Gini coefficient. However, this is primarily because until recently income was growing relatively quickly in China, with an income below the global mean. This weighs heavier in the Gini than the fact that poverty numbers are increasing in SSA.

SSA, home to almost one-seventh of the world's population, accounts for only around 2 per cent of world gross domestic product (GDP). At US$1.8 trillion, the total GDP of all countries in SSA, which are home to 1.1 billion people, is roughly equal to that of the five Nordic countries, with a population of less than 20 million. While the number of poor people in SSA equals the total population of Europe, the GDP of SSA is less than the GDP of Italy and around half of that of Germany (in current USD).[10]

Another measure of inequality is that the poorest 40 per cent of the world's population account for 5 per cent of global income and that the richest 20 per cent account for three-quarters of world income. What does this really mean if we look at absolute numbers?

The highest-earning 20 per cent of the world's population take home around US$63 trillion out of a world GDP of US$85 trillion. Reducing the income of the 20 per cent highest-earning people by just 10 per cent would provide more than US$6 trillion to be redistributed to 500 million poor. That is more than US$30 per day to each poor person. In the context of international inequality, these numbers could truly eradicate poverty.

Of course, such a significant redistribution of income and wealth among the world's nations is not realistic. However, because the level of world inequality is so significant, just a tiny tax of some kind

[9] US$I.55 /day per poor person would close the poverty gap in Zambia.
[10] See World Bank (2019).

in the richest (OECD) countries – say 1 per cent of income – would generate enough to significantly help to eradicate poverty by providing US$1,000 per year to each poor person in SSA.

However, history tells us that even this is unrealistic. Fifty years ago, the world agreed that reducing poverty was dependent on international redistribution. It was thought this could happen primarily through increased transfers (ODA and foreign direct investment (FDI)), better trade arrangements for Africa and the elimination of illegal flows out of Africa.

In 1970, donor governments promised through UNGA to spend 0.7 per cent of GDP on ODA. The deadline for reaching that target was the mid-1970s. UNGA resolution 2626 of October 1970 reads:

> "*In recognition of the special importance of the role which can be fulfilled only by official development assistance, a major part of financial resource transfers to the developing countries should be provided in the form of official development assistance. Each economically advanced country will progressively increase its official development assistance to the developing countries and will exert its best efforts to reach a minimum net amount of 0.7 per cent of its gross national product at market prices by the middle of the Decade*." (UNGA resolution 2626, October 1970)

If the OECD countries just met the UN target of giving 0.7 per cent of GDP in development assistance – which would involve a doubling of the present share of approximately 0.32 per cent – this would increase the ODA envelope by around US$150 billion. In other words, this would provide six times more finance for the poor than the redistribution of income to European standards in the 13 low-income countries in SSA which host the most poor people.

Another avenue to global redistribution is the introduction of fairer rules around international exchange, not least trade regimes and international property rights. The OECD countries have given preferential trade agreements to LDCs. There has been particular praise for the EU's "everything but arms" trade regime with LDCs. Free market entry for all goods except arms is a worthwhile aim but, in practice, it has not generated much trade. EU imports from SSA are still concentrated in unprocessed raw materials. In 2019, 70 per cent of goods exported from the EU to Africa were manufactured goods, while 65 per cent of African exports to the EU were primary products. The top African exports to Europe are petroleum oil, petroleum gas, gold and platinum, motors (mainly from South Africa), cocoa beans, diamonds, clothing, copper, citrus fruits, and unmanufactured tobacco (Eurostat 2020).

Fair exchange is about much more than tariffs and duties, as the EU's internal regulations and the WTO-regulated trade conflicts between the EU and the USA confirm. It is also about international property rights, technical barriers and many other aspects of the international regulatory framework, not least direct domestic subsidies to industries and agriculture. Regarding the last point, the fundamental problem for SSA is that most countries in the region cannot afford it. It is expensive, and the rich countries often condition foreign aid on liberal economic reforms and raise concerns about sustainability, which excludes subsidizing domestic industry.

In contrast, OECD countries heavily subsidize their industries with funds from taxpayers. The EU's Common Agricultural Policy subsidizes farming in Europe to the tune of approximately US$65 billion each year. The United States Department of Agriculture's Economic Research Service forecast that farm income would exceed US$102 billion in 2020, including direct government payments of US$37.2 billion, representing 36.2 per cent of net farm income (Taxpayers for Common Sense, 2020). Such subsidies make it very difficult for African countries to export agricultural commodities to the OECD and even to compete with European and American agricultural products in their domestic markets.

In terms of redistribution, abolishing OECD agricultural subsidies would correspond to four times more than the amount involved in reducing income inequality in the 13 most poverty-ridden SSA countries to European levels. And this is just from a budgetary/numerical point of view. The dynamic effects would be much larger.

There is no need for draconian measures in Europe, such as abruptly abandoning agricultural subsidies, to eradicate poverty in SSA within the next decade. The rich world just needs to practise what it preaches. This would include fulfilling UNGA resolution 2626, slowly reducing subsidies to industry, especially agriculture, over the next ten years and stopping illicit financial flows from Africa, estimated to equal around $88 billion a year according to UNCTAD (2020).

If the world initially decided to use cash transfers to combat poverty and subsidize agricultural inputs to the poorest 300 million people living in the aforementioned 13 countries (assuming that they live on half the poverty line of US$1.90 on average), the rich world would need to find around US$120 billion annually.[11] This corresponds to around a quarter of the €750 billion special stimulus packages approved by the EU to restart the European economies after Covid-19, half of which is in the form of grants (Folketinget, 2020). In the USA, Congress has just adopted a US$1.9 trillion stimulus package in response to Covid-19.[12] This is more than the entire GDP of SSA. OECD leaders are bold when it comes to protecting incomes at home.

One reason for the increased focus on public funds for poverty alleviation in SSA is that private investments from rich countries (FDI) in the subcontinent have been declining over the medium term, from US$38 billion in 2013 to US$32 billion in 2018 (UNCTAD, 2019). Taking account of the effects of the Covid-19 pandemic, this picture is unlikely to change in the near future. Many large corporations are pulling out, scaling back or postponing investments in Africa in 2020-21.

The second thing to note about FDI to SSA is where it is going. Of the US$32 billion in FDI to SSA in 2018, more than a third went to South Africa, DRC and Nigeria. Together with the three second-tier countries of Ghana, Ethiopia and Kenya, these six countries account for well over half of FDI. This pattern is also expected to continue, according to UNCTAD:

> *"Trends in announced greenfield FDI projects suggest that the more sizeable investments will target natural resources in Africa (and power generation projects in Asia)."* (UNCTAD, 2019)

In short, the inflow of FDI to Africa is concentrated in a limited number of countries and in sectors that do not generate much employment and poverty reduction. Large FDIs in mining and energy create very few jobs and are frequently associated with increasing inequality because of the pervasive effects of the industry on the competitiveness of other sectors which could generate employment. This is associated with the problem of overvalued exchange rates (Dutch disease) where economies that are dependent on mining and energy resources are plagued by a more generalized natural resource curse, often entailing violent conflict.

Of the 13 countries in SSA which we have focused on, seven are already dependent on natural resources or are becoming increasingly dependent on natural resources. These are Burkina Faso, DRC, Mali, Mozambique, Niger, Tanzania and Uganda. All these countries (with the exception of Tanzania) are experiencing violent conflict, so there is a strong correlation with FDI. So far there is only one success story in Africa of a nation using the revenue from its natural resources to combat poverty effectively. That is the very special case of Botswana, with a population of only 2.5 million people. As

[11] Kharas (DIIS seminar 22nd February 2021) estimates US$100 billion/year.
[12] Reported by BBC World, 6th February 2021.

Page and Tarp (2020) show, other SSA countries which depend on the extraction of natural resources have weaker long-term growth and higher income inequalities than the region in general. The so-called pre-resource boom curse often occurs well ahead (up to a decade) of the financial blessing due to speculation in land and other assets, mortgaging of future income, increased corruption and challenges in managing expectations in the broader political context. Mining natural resources to promote structural change in terms of transformation and poverty reduction remains to be seen in SSA.

Finally, in the discourse about ODA (public money for aid), it is often argued that ODA matters less than, and is dwarfed by, private investment. However, this is not so in SSA. According to the OECD (2020), the ODA flow to Africa is approximately US$52 billion a year, which is about a third more than the FDI flow. In sum, there is a very important role for ODA to play in poverty eradication in SSA, especially in a dozen of the worst-affected countries.

5. Trends and frontiers in aid-supported poverty alleviation efforts

Institutionalized efforts to alleviate poverty by providing ODA were developed by the rich countries in a post-WWII political and institutional setting. At that time, there was an issue of conscience in the rich Western countries after centuries of colonialism and slavery. The moral obligation was a strong driver of redistribution but, as was the case in ancient Rome 2,000 years earlier, the poor in the Third World also became the object of charity because they were increasingly politically relevant for rich countries. As competition for the alignment of the new independent regimes in the Third World increased at the height of the Cold War in the 1960s, in part due to strategic resources and infrastructure in those countries, the concepts of Western security, development and charity became closely related.

As ODA was conceived in the context of the Cold War, its objective was never squarely to alleviate poverty. Up to the end of the Cold War, around 1990, development aid was overtly an integral part of the geopolitical game. Aid policies were designed according to the great bipolar political divide between the East and the West (and, within this, some smaller divides, for example in the cases of French-Anglophone competition in West Africa, in particular, and Chinese-Soviet competition in East Africa). There was little explicit policy conditionality; the poor countries chose sides – sometimes aided by coups which had assistance from outside – and acted as pawns in a wider context. Only around half a dozen donor countries tried to stay clear of this and to apply more objective poverty alleviation criteria to their policies and strategies for assistance.

For a couple of decades, when Western hegemony was largely unrivalled, poverty alleviation and aid effectiveness were allowed to take centre stage in development cooperation. As the Cold War ended, socialism got the blame for stalled development, and apparently objective and well-documented principles were formulated as criteria for aid giving. Overall, these were anchored in Western values, including human rights, democracy and liberal market-based economic models for accumulation and growth. Conditionality became explicit, piloted by the Bretton Woods institutions, and, for a couple of decades, the debate about development cooperation was centred on aid effectiveness with the clear objective of reducing poverty among the poorest. Only China challenged the consensus which united rich Western countries (OECD). For a brief time, while security alignment of African states was largely secured by the West, poverty alleviation and international solidarity were allowed to become reasonably unrivalled goals of aid and the dominant motives for ODA.

However, when the objective of ODA is clear and unambiguous, the whole effort becomes rather technical and the institutions dealing with it become technocratic. The aid-effectiveness agenda was very much based on objective and technical considerations – if not on the effectiveness of aid, then at least on the efficiency of ODA. These considerations found little favour with the political establishments that had to defend the large budgets involved, and only a few donor countries enjoyed wholehearted and broad political support for the aid-effectiveness agenda. Particularly when the image of a new challenge to Western security emerged at the beginning of the 2000s, the pressure to return to more versatile ODA policies ensued (Flentø & Simao 2021). To some extent, the violent events in New York, Afghanistan and Iraq had fatally wounded the aid-effectiveness agenda before the Paris Declaration was signed.

Due to the combined effects of globalization, the financial crisis and terrorism in the 2000s, and the fall of several authoritarian regimes which effectively protected the EU against large flows of refugees in the last decade, aid budgets came under increasing pressure in most donor countries. This resulted in less funding and a broadening of the objectives of development aid. In some donor countries there was a fundamental change of paradigm in relation to development cooperation. Since then, criteria other than poverty alleviation and aid effectiveness for the purposes of poverty reduction have played a significant and increasing role in aid polices. These considerations are linked to donor countries' overall foreign policy objectives, which are by nature less altruistic and solidary than UN resolutions like the one which adopted the SDGs would have us believe. This phenomenon is often referred to as the re-securitization of aid.

Just as it was during the Cold War, the main issue for the OECD countries is security, including securing access to strategic resources. Within this overall framework, individual countries also consider export promotion (or, at times, simply being in the good company of other preferred donors with whom they exchange favours or through whom donors believe they can gain influence in other arenas). Some countries also consider the costs of administering aid, sometimes with a view to using development aid money to subsidize other elements of foreign policy administration. In other words, for most donor countries, development assistance has again become a subordinated tool of general foreign policy and there is keen competition to appropriate funds from the development assistance budget. As Staur (2020) puts it more diplomatically when looking into the future of the United Nations system:

> "*There will always be a broader political agenda, into which the ODA narrative will have to fit, and for which the 2030 Agenda alone will not suffice."* (Staur, 2020: 5)

While those who are aware of the historic setting of charity, alms and ODA may consider it trivial, it is important to remember this background when we want to understand what drives the poverty reduction efforts that rich countries choose to deploy and how they justify this to their taxpayers. The fact that ODA has always been a multipurpose vehicle significantly affects how poverty is portrayed and consequently how the poverty reduction efforts measure up to the targets set. The more that ODA becomes a multipurpose vehicle, the bigger is the risk that poor people will get left behind.

The OECD (DAC) has itself realized the need for a renewed focus on poverty reduction (SDG 1) and for a shared understanding and momentum around reducing inequalities (SDG 10). In 2018, it therefore called on providers to update development cooperation frameworks, including a new narrative spelling out the mutual benefits for everyone from leaving no-one behind. In 2021, DAC members included a new Community of Practice on poverty and inequalities in the DAC Programme of Work and Budget for 2021-22. The primary objective of this group is:

"*To build a shared understanding and collective commitment within the DAC to addressing poverty and inequalities*". (OECD DCD/DAC, 2021)

Building a new narrative and understanding, and promoting a collective commitment to poverty reduction, is extremely challenging. For this reason, previous sections of this paper tried to narrow the space for manoeuvre that the careless use of relative numbers and concepts gave to those who want to direct aid to support their security and commercial interests rather than to eradicate poverty.

5.1. Aid trends and allocation

Unlike in the 1970s, international solidarity and redistribution are out of fashion in rich countries today. Aid is not increasing in real terms and may even be declining slightly as donors are less worried about effectiveness. While the budget issue can be hard to deal with in the medium term, the better targeting of aid to poverty and vital institution building could make a significant difference.

With almost no exceptions, aid budgets in OECD countries have come under increasing pressure in the new millennium. Even like-minded donors, now including the UK, have cut back. The cuts have been accompanied by a change in discourse and in some countries a complete change in paradigm of development aid (Kjær, 2020). This new discourse is often associated with anecdotal evidence and indices, built on a conception of corruption and inequality in poor countries, which support the claim that development aid does not work. Remembering that OECD countries are overwhelmingly societies built on Christian moral and liberal values, where people fundamentally believe in charity and feel a moral obligation to help the poor, this change in discourse promoted by populist, frequently nationalist, politicians is convenient for their domestic constituencies. It simply underpins the hoax that a reduction in aid will not harm the poor because it does not work anyway. Voters in donor countries can keep their money and still sleep well. In this context, the tendency of the press in Western countries to focus on disasters (natural disasters and violent conflict) and on unsuccessful development assistance programmes amplifies the situation. For example, a story about how the minister for development cooperation wastes taxpayers' money on corrupt generals in Africa sells more newspapers than the story about successful cooperation in protecting plants for the benefit of poor African farmers. In this way, the press indirectly provides excuses for the governments it claims to be holding to account. Such media coverage and portrayal of Africa and development cooperation paves the way for those who want to reduce development aid budgets and use the funds for more short-term security and commercial purposes rather than poverty eradication.

To reiterate, portraying poverty in relative terms shields this discourse. The right blend of anecdotal evidence of corruption and bad governance, combined with figures showing that poverty rates are falling and income distribution is more unequal in Africa than in Europe, is a powerful combination to undermine support for international solidarity and development cooperation. As Arndt, Jones and Tarp (2016) and others show,[13] however, the general picture is that aid does work and has a reasonably high rate of return of at least double-digit figures. However, the strong convergence today around this conclusion by most scholars and literature seems to be having little impact. The limited demand by politicians in OECD countries for these conclusions – although they are based on decades of solid work – may be related to the consequences they logically entail. Aid works, but it has never been enough and has not been directed unambiguously to help the poor. Rich countries do not want

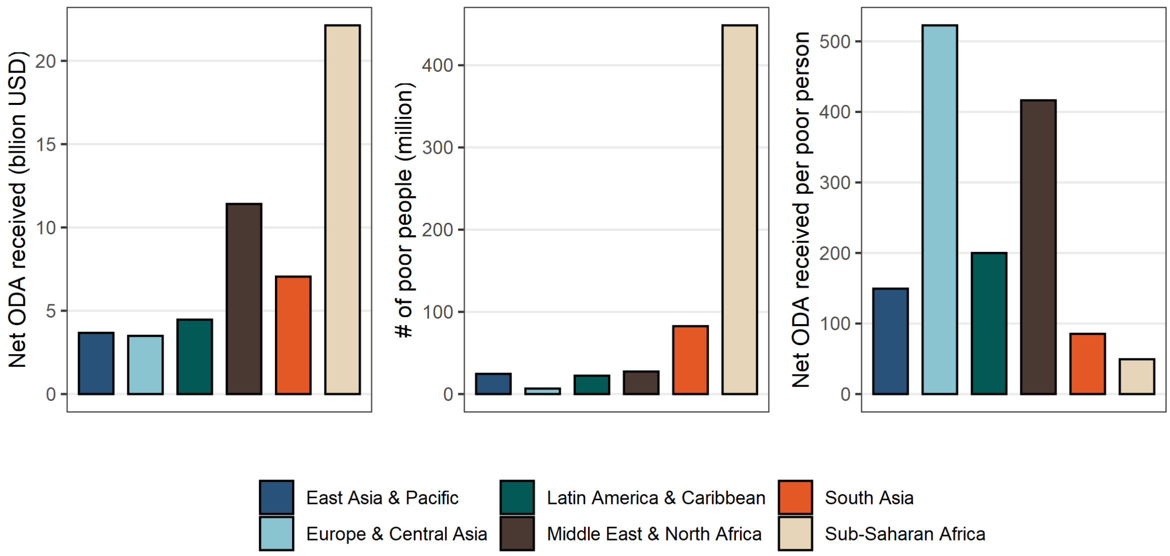
[13] For example, Jeffrey Sachs, Henrik Hansen, Sam Jones, Robert Lensik, Howard White, Sebastian Galiani, Sandrina Moreira, Channing Arndt and Markus Brückner.

to share even half a percent of their income and they use part of the tiny fraction they do share to procure security and promote exports (Flentø & Simao 2021).

As it is budgeted for and monitored by the OECD (DAC) as a percentage of GDP, there is a risk that aid from rich countries will decline over the short to medium term. There was an average fall of at least 5 per cent in OECD countries' GDP as a result of the Covid-19 pandemic in 2019-20 (OECD, 2020). If aid budgets are being cut accordingly, this implies a decrease in aid of US$15 billion per year in the short to medium term.

Not only is there a risk that aid budgets will shrink but they are also becoming less focused on poverty eradication. A quick look at the regional distribution of aid from the OECD shows that Europe, central Asia, Middle East (including Turkey) and South Asia (predominantly Afghanistan and Pakistan) receive more aid than SSA, despite SSA being home to the majority of people living in poverty, as shown in Figure 7. To be clear, less than half of total ODA goes to countries in SSA, despite poverty being heavily concentrated there both in terms of average income and people living below the poverty line.

Figure 7. Poverty and the distribution of ODA



Source: Poverty data is from Lakner et al. (2020). Data on net ODA is from OECD (2021b). Observations are from 2019.
Note: A) shows the number of extreme poor living in each region. B) shows the net ODA received by countries in each region. ODA is measured in constant 2018 USD. The figures show data from all countries that are net recipients of ODA. Extreme poverty is defined as daily consumption below US$1.90 PPP. Regions follow World Bank definitions, see World Bank (2021a) and do not include other regional ODA as reported by OECD, DAC.

When looking at the per capita numbers, it is even clearer that the better-off developing countries get more assistance and that SSA is a de facto low priority.

Another sign of this increasing subordination of aid in pursuit of poverty reduction to other foreign policy objectives is the abolition of almost all the previous independent aid agencies in OECD countries and the transferral of their budgets and authority to their governments' foreign offices. Most recently, the UK Department for International Development) was decommissioned and its services were taken over by the foreign ministry (Foreign, Commonwealth and Development Office). The logic is relatively clear. The well-defined and unambiguous task of administering a domain and budget with a clearly formulated objective is best left to a directorate or implementing agency. If the objective is multifaceted and ambiguous, however, it is best administered close to the political process, i.e. integrated into a ministry. It allows poverty as the overwhelming appraisal criterion for aid programmes and budgets to be subordinated or even abandoned and it means that poor people get left behind.

5.2. A new narrative for ODA

There is too little ODA and it is poorly targeted at eradicating absolute poverty for SDG1 to be met. If total aid from the OECD could be increased in the medium term to meet the original New York pledge in 1970 and could be targeted better towards poverty alleviation, then SDG1 would be well within reach. This would result in an increase of approximately US$150 billion, which, when distributed among the 400 million people living below the poverty line in SSA, corresponds to about a dollar a day to each poor person. If handed out as cash transfers, this would be numerically enough to eradicate absolute poverty in SSA.

The development effects of cash transfers are the subject of debate and such measures could never be standalone solutions. Much would depend on the economic policies and development strategies pursued by the countries receiving the cash. Such models would need to be combined with other fiscal and social protection measures and ODA would have to be targeted at strengthening key institutions. The calculation does, however, serve to show just how little income people in the rich countries would have to forego in order to achieve SDG1 – just 0.3 per cent of GDP or US$3 in every US$1,000 they earn.

Of course, such an approach would immediately be prey to considerations about sustainability and the whole narrative referred to above, which also serves to prevent the rich countries from even trying. And, yet, when donors provide so-called humanitarian assistance, no sustainability requirements are attached to the aid. Keeping people alive is the objective (and also keeping them away), and delivery often takes place in donor-owned vertical delivery systems with no strings attached to the surrounding regimes.

It is often argued that aid to richer countries (and sometimes abhorrent regimes) is necessary precisely because the states are fragile and/or it is providing humanitarian assistance. However, as Nay (2013) explains, the fragility concept is a shallow, confusing and imprecise policy-oriented label used by Western actors to promote their own security and development strategies.

Similarly, the distinction between development assistance and humanitarian assistance is often neither helpful nor real. To illustrate, are those who receive humanitarian assistance poorer than others living below the poverty line? Remembering that the poverty line is a budget for survival, all assistance to those living below the line is in effect humanitarian, and this includes cash transfers. The difference between people living in poverty and people living in situations characterized as a humanitarian crisis relates more to the concept of emergency – the suddenness with which people's situations change and whether they are displaced from their normal habitat. How permanent their new situation will become depends on the nature of the disaster. Man-made disasters tend to last, while natural disasters go away, though the latter will happen more frequently in the future. For millions of people, some refugee camps have become almost permanent habitats with their own governing structures, including security, while some states and territories have become de facto refugee camps. The fault lines are very unclear and are often deliberately used to direct aid to underpin Western security efforts.[14]

Many observations have confirmed that camps for refugees and internally displaced people in very poor countries have a pull effect on the surrounding populations. Often, the people in the camps are not just better protected, they are also better fed and they have better access to health care and sometimes even better schooling for their children than those in the communities and countries which host the camps. These contrasts have occasionally led to conflict between the inhabitants of the refugee camps and the poorer populations surrounding them (Burundians in Tanzania, Congolese in Rwanda and Sudanese in Sudan).

According to the UNHCR (2021), there are around 80 million forcefully displaced people in the world. Around a third, or 26 million, of these are called refugees because they have crossed a national border; the rest are defined as internally displaced. The figure of 80 million people corresponds to less than one-fifth of those struggling below the poverty line in SSA. However, poor people who just leave their home and migrate, precisely because they were unable to make a living where they were, do not count in the humanitarian equation unless they reach an official camp. They are "just" migrants, either in their own country – probably in some large city suburb – or internationally. There is a strong correlation between the distance that migrants travel and the life they can expect when reaching their destination. The further they travel, the more likely they are to get a better life, especially if they can convince the authorities at their destination that their life is in danger at home. Not just any kind of danger, however.

The UN convention on refugees of 1951 aim to protect anyone who "*has a well-founded fear of being persecuted because of his or her race, religion, nationality, membership of a particular social group or political opinion; and is unable or unwilling to avail him- or herself of the protection of that country, or to return there, for fear of persecution*" (see Article 1A(2)). Other displaced people who cross a national border are defined as migrants. They do not have rights of protection like refugees. Migration is an issue of national sovereignty, as established by the Westphalian peace in 1670. Fundamentally, people have no right to choose where they want to live.

However, there is often no clear distinction between the two. The hybrid term "economic refugees" is commonly used. It is the underlying concept of security – as defined by the 1951 UN Refugee Convention – which matters both when rich countries decide on asylum and when they direct aid. Donor countries allegedly give humanitarian assistance and sometimes even asylum to those whose lives are in danger if they return home. If a war or a natural disaster is to blame for the migration, and especially if donors can provide humanitarian assistance to prevent migration into the rich countries, it becomes a priority.

But what about the vast majority of the poor who remain in SSA? What is their risk of dying? To understand why people run the risks of migrating and joining radical movements and insurgencies, it is necessary to clarify the basic circumstances about security in SSA and the way poverty impacts it.

People living below the poverty line in SSA are often at greater risk of deteriorating health and losing their lives than many migrants and refugees, even more so than soldiers fighting in wars, as shown below. One of the best proxies for the risk of dying is the average life expectancy of a population at large and, not least, of its new-born babies. In Europe, the average life expectancy is in the low to mid-80s, while Libyans, Syrians and Jordanians are ten years behind with an average life span of 71-74

[14] I.e. focus on the around 4,000 refugees who die every year trying to reach Europe, while millions in Africa die every year from preventable diseases like malaria, cholera and tuberculosis (Flentø & Simao 2021).

years. In SSA, life expectancy is another ten years shorter and hovers around the low to mid-60s. If we look further ahead, at the average life expectancy for a new-born baby today, most European babies can expect to live into the next century. In Pakistan and Afghanistan, babies born today can be expected to die around 2085, while Syrian babies will live on average to 2092. In relatively peaceful SSA countries like Mozambique and Tanzania, babies born today are unlikely to see the end of the 2070s.[15]

In SSA, people die of hunger, malnutrition and disease in numbers that would easily qualify for disaster relief in other contexts (especially if the affected populations were intent on and able to migrate to Europe). There are several ways to portray security, but one that seems to open the eyes of many is the comparison of the casualty rates of American military personnel in Iraq with maternity deaths in SSA.

According to Goldberg (2010), the death rate of US military personnel in Iraq from the start of the war to January 2007 was 416 per 100,000 per year. The maternity death rates in many countries in SSA which are considered relatively peaceful are over 500 per 100,000 live births: for example, 524 in Tanzania, 766 in Mali, 917 in Nigeria and above 1,100 in Sierra Leone and Mali (UNICEF, 2019). The average national figures often conceal much higher rates in rural areas and they reflect eight to nine months, not a year, of exposure. On average, women in SSA give birth to 4.6 babies (UNDESA, 2020). In other words, women in the poorest SSA countries have a higher average risk of dying in pregnancy than members of the American military have of dying when serving five years in Iraq.

Altogether, the USA lost 4,800 military personnel in Iraq between 2003 and 2020. That is fewer than the 5,300 people who are infected with HIV in SSA every two days and far fewer than the 3 million adolescents living with HIV in SSA (UNAIDS, 2020). Recalling that HIV infection (in contrast to Covid-19) is a true death sentence if people do not receive life-long treatment, this number is sobering. According to UNAIDS (2020) approximately 30 million people live with HIV in SSA and depend on their governments to provide antiviral treatment. Most of these governments are poor, and drug supply and treatment are fragile as they often depend on donors for assistance in procuring the drugs. Every young African living with HIV who can make it to Europe and get asylum will have access to better drugs and be treated by more robust health systems that can keep HIV-infected people alive.

Recalling that living below the poverty line means living with fewer resources than it takes to sustain life and health at an adequate level, it is easier to understand that, for hundreds of millions of people in SSA, the risk of dying in most wars is not much greater than the risk of dying from disease, malnutrition and hunger. With regard to children, those in SSA face the greatest risk, with an estimated 17 deaths per 1,000 aged 10, followed by South Asia with 8 deaths per 1,000. About 45 per cent of the deaths of children and youths aged 5–24 occur in SSA, which is home to 15 per cent of the world's population.

Turning to conflict situations, the additional risks associated with joining an insurgency are weighed against the pay received as a soldier/mercenary and the higher status and identity that often come from joining a warring faction. Furthermore, it is often more dangerous not to follow or join one of the parties in a conflict. As battles between the soldiers of factions are rare and it is mostly civilians who are killed, soldiers are actually more protected. When fighters do die, there may even be comfort from their religion. Dying with honour, as a martyr fighting for the right cause, may be perceived as providing admission to heaven.

[15] For these and other relevant data see UNDP (2020).

Radical movements exist globally and reach all corners of the world. They are disguised in religious movements and thrive on local conflict and grievances which can be termed as ethnic, but they are often fundamentally about resources and access to influence and income. Arguably, it is the socio-economic conditions which decide whether radical movements gain support and take root. This has already happened in a dozen countries in west, central, eastern and southern Africa (examples are Mali, Niger, Nigeria, Congo and Mozambique) where poor governments lack both the military capacity to contain insurgencies and the resources to offer their youth reasonable alternatives, such as jobs, health care and education. In a roundabout way, radical movements offer the potential for Africa's poor to become politically relevant to rich Western governments by posing security risks to strategic investments if these investments do not generate local employment and prosperity.

One of the security risks for rich countries is when Africans challenge some of the fundamental institutions which maintain inequality in the world such as national borders (migrants) and property rights (insurgents). For most Africans, activities related to this are not associated with a higher risk to security than living in poverty. A lack of security and a higher risk of dying young are two of the most fundamental ways in which poverty manifests itself. However, it seems that, for European politicians, it is not whether Africans risk dying young that matters. It is how. Rich western countries apply a much narrower concept of security when they deal with refugees than used in relation to development cooperation. So-called humanitarian assistance, which is overwhelmingly needed to respond to man-made disasters (either directly or when man-made crises make the consequences of natural disasters worse) accounts for an increasing share of ODA (see Figure 8). This excludes the issue of peace-keeping missions, the cost of which is only partially to be reported as ODA. Their function is also to keep people alive, with little or no prospect of development. If donor countries limit their ODA budgets to 0.3 per cent of GDP and use it increasingly for short-term refugee management and emergency assistance[16] often related to middle income countries, Europeans will in the long run – future generations – pay a much higher price for such a short-sighted approach.

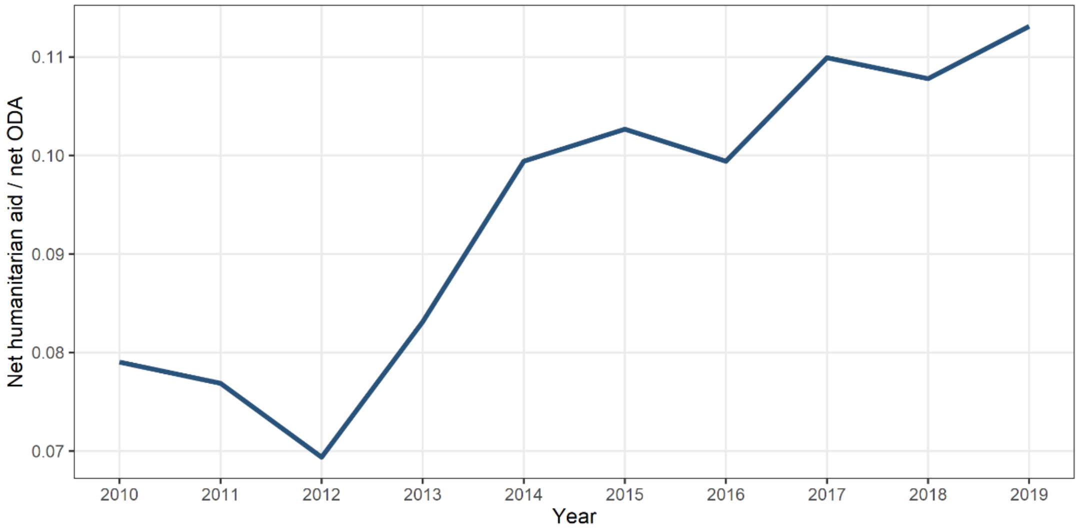
Like the climate issue, and to some extent the Covid-19 pandemic, poverty in Africa represents a generational challenge to populations in the OECD, especially Europeans. How does Europe bolster the security of future generations without damaging the aspirations of present generations – those who vote and pay taxes here and now? Europe can keep Africans and their misery at a distance for some time by building "fortress Europe", establishing refugee camps and offering humanitarian assistance. However, if the root causes of the problem are not addressed, it will eventually impact Europeans at home.

As Mahatma Gandhi affirmed more than a century ago, poor people have many children. And poverty and insecurity certainly increase fertility. By 2050, the population of SSA will be more than 2 billion, half of whom will be under the age of 25. Today, 40 per cent of the SSA population are living below the poverty line, and even if the poverty rate continues to decline at the same speed as in the last three decades (15 percentage points from 1990 to 2018), according to the World Bank, there will be more than 500 million people living on less than US$1.90 in SSA by 2050. They will not all stay at home and keep their misery to themselves. Europe was overwhelmed, politically, by just a couple of million refugees in 2014. That corresponds to just one in 1,000 of the Africans who decide to move north.

---

[16] The Danish government's budget proposal for 2022 on ODA allocates more than three times the amount of finance to emergency assistance as to bilateral development cooperation with Africa at large (FFL2022).

Figure 8. Humanitarian aid as share of net ODA



Source: Data on humanitarian aid is from OECD (2021a). Data on net ODA is from OECD (2021b). Observations are from 2019.
Note: The figure shows the ratio between total net humanitarian aid and total net ODA over time. The figure shows data for all countries that are net recipients of ODA and humanitarian aid.

In the short term, the Covid-19 pandemic is likely to deliver the "coup de grace" to the aid-effectiveness agenda. Not only does the pandemic risk reducing aid budgets but the reduced budgets are likely to be increasingly redirected to vertical health campaigns, especially vaccines. The leaders of the rich world will have constituencies that feel sorry for Africans with no vaccines and scientists who warn against mutations in a huge untreated reservoir of virus in Africans (see, for example, Pedersen, 2021). The issue of vaccines has become a security concern and the world's great powers are competing, firstly, to have enough for themselves and, secondly, to buy influence and alliances by providing them to the poorer nations.

It is likely that, but still unclear whether, donor countries in general are appropriating funds for vaccines to poorer nations primarily by reducing other forms of aid, particularly the so-called harmonized and sector support that has been shown to be most effective. Some certainly are. As the British Foreign Secretary Dominic Raab said after a group of countries (including the UK, Germany, Canada, Japan) announced they had secured more than €800 million to help vulnerable countries access coronavirus vaccines:

> "*We'll only be safe from this virus, when we're all safe -- which is why we're focused on a global solution to a global problem.*" (RFI,[17]2021)

Nine days later, in an interview with the BBC in Kenya, Raab said that the UK was funding vaccines not just as a moral obligation but also in its own interest. The announcement came at the time when the UK was reducing its annual budget for ODA from 0.7 to 0.5 per cent of a declining GDP, which according to Mitchell et al. (2021) amounts to saving around £4.5 billion on the poor every year.

While this reduction is lamentable in itself and political juggling of numbers is generally unhelpful, recognition of the potential of this virus to inflict greater harm on Europeans because of weak health systems in Africa may be an eye opener. As the World Bank and Denmark's Technical University (Ahmed et al. 2018) have suggested, next time around the world may have to deal with another virus or resistant bacteria which gathered strength under the radar in Africa for years or even decades, like

[17] Interview recorded by Radio France International on 10th February 2021.

HIV did. Or it may be terrorist attacks on European cities by radical organizations which gain strength from strongholds in Africa where they control valuable resources. Such terrorist networks also control the drug trade and other illicit flows including of people and weapons.[18] These developments will eventually hit the rich populations of the West at home. Disease-like radical movements and organizations which are left largely untreated in Africa have already, and will increasingly, become a security threat to the Western world.

OECD governments therefore need to review their concept of security in relation to Africa. If Europe is not careful, development cooperation will be reduced to short-term measures and damage control close to its borders. So-called humanitarian assistance and stabilizing a few countries – including through very expensive peace-keeping operations – plus vaccines and HIV treatment will consume an increasing share of the OECD's reduced budgets for development cooperation. At the same time, Europe will have no plan for the longer run and will leave the root causes of insecurity and the mounting pressure on Europe for future generations to deal with (Flentø & Simao, 2021).

It is essential that the rich countries recognize that poverty is the underlying cause of a very large part of their long-term security challenges, stemming not only from migrants but also disease, radicalization and terror, illicit flows and drugs. Only then, will the 2030 agenda come to bear on ODA. There are undoubtedly many researchers and analysts in the OECD who already know this. The challenge is to convince politicians who, by nature, mostly respond to short- and medium-term challenges. The way that young people have acted on the climate agenda gives hope, and sobering absolute numbers around poverty and inequality, including in security, can help. In 2022, the Covid-19 crisis will be largely over in Europe and North America when the world takes halfway stock of progress towards SDG1. It is time for OECD countries to start investing much more decisively in a safe world for their children by sharing a little more with the poor in Africa.

5.3. Reassessing the role of development assistance

The core business of development cooperation is to assist poor countries on their way to sustainable and inclusive growth. Eradicating poverty is fundamentally about creating more and better jobs in SSA. Economic growth and development is a multifaceted and complicated challenge but, ultimately, poverty is reduced by raising income mainly through creating more and better-paid jobs. Official development cooperation cannot provide the finance for this job creation if rich countries are unwilling to share more than they do today. Finance of that magnitude will eventually have to come from the private sector and can be promoted by ODA, not just in the form of mixed funding packages where ODA covers the most risky and long-term elements but in a much more fundamental way.

Government budgets in SSA are generally equal to around 15-20 per cent of GDP. As this revenue is largely insufficient for the tasks at hand, there is intense debate among donors, the IMF, NGOs and African governments as to whether there is potential for further resource mobilization (taxation). Of course, this is an important avenue to further development and institution strengthening in the long run, but the potential is not great in the short and medium term without resorting to the coercive and brutal ways in which European nations extracted taxes from a poor population when Europe had the income levels that many SSA countries have today. However, at US$150 billion, aid from OECD countries corresponds to around half of the revenue raised by all SSA governments to finance their public sectors. Targeting OECD aid to vital institutional development in SSA could mean a 50 per cent increase in funding for key institutions for financial management, justice, education and health,

[18] See also Kofi Annan (2009).

including veterinary and plant protection services. Such funding could make a significant contribution to poverty alleviation in SSA in the medium term as private sector development outside the extractives industries depends on strong institutions in these areas.

Social sectors were not part of the European nation-building contracts and were not financed by tax in Europe when European countries had the income levels of most African countries today. Even when they were tax-financed, they were cheaper especially in the case of education, which was much shorter for children in the 20th century. Today, even in the LDCs, basic education costs around US$200 per child (UNESCO 2009). That is a steep financial challenge for most poor countries in SSA.

"Low-income and lower-middle income countries will need to increase education spending by 50 percent and 30 percent, respectively, to achieve the new and more ambitious SDGs." (Steer & Smith, 2015)

The Abuja declaration encourages poor countries to spend at least 15 per cent of their budget on health, and some estimate that the minimum spending on health should be at least US$55 per capita. Altogether, this means that properly financing the social sectors would easily cost many of the poorest countries around 40 per cent of their government revenue.

Helping African governments to strengthen key institutions in nation building is still very much within the budgetary capacity of the OECD countries' ODA, if it were given priority. The alliances this work would create are probably one of the best investments European countries could make in their own long-term security. If such long-term assistance for developing key nation-building institutions such as justice, public financial management, education and health were pursued, it could also address inequality in partner countries. As Piketty (2019) confirms, inequality in societies stems from deep structural factors rooted in history which determine the relative strength of institutions in a society. The distribution of wealth and inequality in Europe today can be traced back to medieval times and institutions founded hundreds of years ago.

If the OECD wants to contribute to the acceleration towards meeting SDG1 and SDG10, it will need to sharpen its criteria for ODA, the so-called DAC ability. For starters, it should register in its books only what is actually development assistance. That would separate the budget for short-term emergency measures which are most directly related to Western security, including the handling of refugees in and around OECD countries, from actual development assistance and would allow allocation of 80 per cent of ODA to development cooperation with SSA (mirroring the challenge of poverty). In the longer term, it is worth delivering on the promises of 1970, i.e. doubling aid budgets and targeting the increase to the 12-15 low- and lower-middle income countries in SSA which host the most poor people. These nations are all fragile and need a wide range of assistance through different instruments to strengthen their weak institutions and provide social safety nets to the poorest. Like Constantin in Rome in 310 BCE, we need to bless the poor for our own sake.

6. Conclusions

Poverty is a moral judgement. It was defined by the Judeo-Christian religion, which also institutionalized charity as it became politically relevant. Moreover, poverty is fundamentally a relative concept related to living conditions in different societies, which vary over time and space. However, the ideals and concepts of the rights that helped to secularize charity and define freedom and solidarity are not.

The United Nations has tried to make the concept of poverty universal by providing a common definition of absolute poverty. With the World Bank's assistance, its definition has been translated to a poverty line of US$1.90/day. This is useful for policy guidance and for the allocation of financial means. The definition, by the logic of international politics, is the lowest common denominator of living conditions, i.e. the price of sustaining life itself.

For more than half a century, rich and poor countries have declared war on poverty. The world's nations recently declared their determination to eradicate poverty altogether – in all its forms everywhere – by 2030. That will not happen.

To achieve SDG1, it is crucial that changes are made to the living conditions, and indeed the general state of affairs in SSA, which is home to two-thirds of all those living in absolute poverty today. This figure is projected to increase to at least four-fifths of all the poor in 2030, corresponding to around 400 million people. Furthermore, poverty is not concentrated only in SSA. The incidence of poverty is also highly concentrated within the wider region.

Half of all the poor in SSA live in just five countries. Three in every four poor people in SSA live in just 12 countries, and 85 per cent of all those living below the poverty line live in just 17 countries, or one-third of the states in SSA. Achieving SDG1 depends heavily on eradicating poverty in just 15-17 of the 193 members of the UN.

Liberal growth-oriented economic policies will not eradicate poverty in these nations by 2030. Even sustained high economic growth of 5-6 per cent per year will not be sufficient. Nor would redistribution to European levels within these countries. It is intriguing that the debate about poverty and inequality is so focused on inequality within nations as there is no realistic or historically known combination of redistribution and economic growth that could eradicate poverty by 2030.

Donor countries' focus on inequality in African economies is particularly puzzling. Reducing inequality by just a tiny fraction among the world's nations would, in numerical terms, easily eliminate poverty. However reducing inequality in poor African countries to European standards would not matter much. The focus on inequality within countries in SSA is a distraction. Redistribution between rich and poor countries through increased transfers (ODA and FDI), fair trade and blocking illicit flows out of Africa are all measures within reach if OECD governments want to pursue them. They do not.

The flow of aid is too limited and does not mirror the image of poverty. Judging from the volume of aid and how it is directed, eradicating poverty in Africa is just not a priority for the leaders of the rich world. While the number of poor people in SSA is surpassing the number of inhabitants in the European Union, aid is not increasing in real terms and it is also less focused on Africa. Poverty alleviation is losing importance as a design parameter for development cooperation, and aid is being instrumentalized to support rich countries' other foreign policy objectives, such as stemming the flow of refugees, including from wars and conflicts outside Africa which the Western powers have promoted and participated in. Elastic concepts (such as state fragility, humanitarian assistance and, not least, relative and scale-neutral measurements of poverty and inequality like the Gini coefficient) and poverty rates shield the discourse which argues for smaller budgets and more ambiguous development assistance.

International redistribution in earnest is only likely to occur if the leaders of rich countries realize that extreme poverty in SSA fundamentally represents a security threat that will grow and bear on their children. The logic of the Cold War made the leaders of the two blocs view Africa in this way because the continent's strategic resources and infrastructure could end up with the enemy. The second scramble for Africa made the case for increased investments in the continent and paved the way for high flows of ODA. That has changed and, for now, extreme poverty in Africa does not represent an imminent threat to Western security. Like the climate challenge, it is a generational issue. The pressure will build over time. Violence and disease from Africa will become a significant security threat only to the next generation. As always, it is cheaper to invest in prevention than to address the full-blown disaster. Perhaps the Covid-19 crisis can help to open the eyes of Western politicians to this fact.

Until this recognition sinks in and the OECD countries start to share their wealth, with just that tiny fraction of Western income that would be necessary, there is a strong case for cooperating with poor governments in SSA and using at least three-quarters of the limited resources available for international development assistance to build strong and resilient institutions in key areas. In the end, it is these institutions that will help to protect Europe.

References

Ahmed, S. A., Baris, E., Go, D. S., Lofgren, H., Osorio-Rodarte, I., Thierfelder, K. (2018). "Assessing the Global Poverty Effects of Antimicrobial Resistance. *World Development*, 111(C), 148-160.

Annan, K. A. (2009). "Problems Without Passports". *Foreign Policy*, Special Report. Available at: https://foreignpolicy.com/2009/11/09/problems-without-passports/

Arndt, C. Jones, S., & Tarp, F. (2016). "What Is the Aggregate Economic Rate of Return to Foreign Aid?". *The World Bank Economic Review*, 30(3), 446-474.

Credit Suisse Research Institute (2019). *Global Wealth Databook 2019*. Available at: file:///C:/Users/lesle/Downloads/global-wealth-databook-2019%20(1).pdf

Davies, J. B., Lluberas, R., & Shorrocks, A. F. (2017). "Estimating the Level and Distribution of Global Wealth, 2000–2014". *Review of Income and Wealth*, 63(4), 731-759.

Eurostat (2020). "Africa-EU – International Trade in Good Statistics". Available at : https://ec.europa.eu/eurostat/statistics-explained/index.php?title=Africa-EU_-_international_trade_in_goods_statistics.

Flentø, J., & Simao, L. (2021). "Buying Security with Charity. Why Donors Change Conditionality". DERG Working Paper. Copenhagen: Copenhagen University.

Folketinget (2020), EU-Oplysningen. https://www.eu.dk/

Gilles, A. (2009). Reforming Corruption out of Nigerian Oil? Part One: Mapping Corruption Risks in Oil Sector Governance". U4Brief. Bergen: Chr. Michelsen Institute.

Goldberg. M.S, (2020). "Death and Injury Rates of U.S. Military Personnel in Iraq". *Military Medicine*, 175(4), 220-226.

Horst, P. van der (2014). "How the Poor Became Blessed". Aeon. Available at: https://aeon.co/essays/the-poor-might-have-always-been-with-us-but-charity-has-not

Kjær, A. M. (2020). "Paradigmeskiftet i dansk udviklingspolitik". *Politica*, 52(2), 125-146.

Lakner, C., Mahler, D. G., Negre, M., & Prydz, E. B. (2020). "How Much Does Reducing Inequality Matter for Global Poverty?". Global Poverty Monitoring Technical Note. Washington, DC: World Bank. Available at: https://openknowledge.worldbank.org/handle/10986/33902

Mitchell, I. Hughes, S., & Richie, E. (2021). “An Overview of the Impact of Proposed Cuts to UK Aid”. Center for Global Development. Available at: https://www.cgdev.org/publication/overview-impact-proposed-cuts-uk-aid

Nay, O. (2013). “Fragile and Failed States: Critical Perspectives on Conceptual Hybrids”. *International Political Science Review*, 34(3).

OECD (2021c). “Summary Record of the 1086th DAC meeting – 19 January 2021 (Session 1) and 20 January 2021 (Session 2)”. DCD/DAC/M(2021)1/FINAL. Available at: https://www.oecd.org/officialdocuments/publicdisplaydocumentpdf/?cote=DCD/DAC/M(2021)1/FINAL&docLanguage=En

OECD (2021a). “Aid (ODA) disbursements to countries and regions [DAC2a], Humanitarian Aid (constant prices)”. Available at: https://stats.oecd.org/Index.aspx?DataSetCode=Table2A.

OECD (2021b). “Aid (ODA) disbursements to countries and regions [DAC2a], ODA total net (constant prices)”. Available at: https://stats.oecd.org/Index.aspx?DataSetCode=Table2A (retrieved 4 March 2021).

OECD (2020). “Economic Outlook”, December. Available at: https://www.oecd.org/economic-outlook/

Orshansky, M. (1969). “How Poverty is Measured”. *Monthly Labor Review*, 92(2).

Osborne, R., & Atkins, M. (2019). *Poverty in the Roman World*. Cambridge: Cambridge University Press.

Page, J., & Tarp, F. (2020). *Mining for Change. Natural Resources and Industry in Africa*. Oxford: Oxford University Press.

Pedersen, M.S. (2021). ”Vestens vaccine-egoisme er en trussel mod folkesundheden”. TV2, 25/1-2021, med citat af Flemming Konradsen m.fl.

Piketty, T. (2014). *Capital in the Twenty-First Century*. Cambridge, MA: Belknap Press.

Piketty, T. (2019). *Kapital og Ideologi*. København: DJØFs og Informations Forlag.

Staur, C. (2020). “Looking to the UN’s Future”. In T. G. Weiss & S. Browne (eds), *Routledge Handbook on the UN and Development.* Routledge.

Steer, L., & Smith, K. (2015). *Financing Education. Opportunities for Global Action*. Center for Universal Education at Brookings. Available at : https://www.brookings.edu/wp-content/uploads/2016/07/FinancingForEducation2015.pdf

Taxpayers For Common Sense (2020). “Farm Subsidies at Highest Level in 20 Years”. Available at: https://www.taxpayer.net/agriculture/usda-farm-subsidies-at-highest-level-in-20-years/

Thielst, P. (2006). *Man bør tvivle om alt og tro på meget*. Frederiksberg: Det Lille Forlag.

TRALAC (2020). ”EU-Africa Trade”. Available at: https://www.tralac.org/resources/our-resources/11938-european-union-africa-trading-relationship.html (retrieved March 2020).

UNAIDS DATA 2020. https://www.unaids.org/sites/default/files/media_asset/2020_aids-data-book_en.pdfUNAIDS

UNCTAD (2019). “Investment Flows to Structurally Weak Economies Remain Fragile, Says UN Report”. Press Release. Geneva: United Nations Conference on Trade and Development. Available at : https://unctad.org/press-material/investment-flows-structurally-weak-economies-remain-fragile-says-un-report

UNCTAD (2020). Tackling Illicit Financial Flows for Sustainable development in Africa. https://unctad.org/system/files/official-document/aldcafrica2020_en.pdf

UNDP (2020). "The Next Frontier: Human Development and the Anthropocene". Human Development Report 2020. New York, NY: United Nations Development Programme.

UNHCR (2021). "Figures at a Glance". Available at: https://www.unhcr.org/figures-at-a-glance.html

UNICEF (2019). https://data.unicef.org/topic/maternal-health/maternal-mortality/

UN (2000). World Summit for Social Development. Agreements. https://www.un.org/esa/socdev/wssd/text-version/agreements/index.html

UNSTATS (2021). "Country Code: ISO 3166-1 alpha-3". Available at: https://unstats.un.org/unsd/tradekb/knowledgebase/country-code (retrieved 4 March 2021).

UNDESA (2020). *World Fertility and Family Planning*. New York, NY: United Nations Department of Economic and Social Affairs. https://population.un.org/wpp/Publications/Files/WPP2019_10KeyFindings.pdf

World Bank (2017).What are Poverty lines. https://www.worldbank.org/en/news/video/2017/04/14/what-are-poverty-lines

World Bank (2021a). "World Bank Country and Lending Groups". Available at: https://datahelpdesk.worldbank.org/knowledgebase/articles/906519-world-bank-country-and-lending-groups (retrieved 4 March 2021).

World Bank (2021b). "World Development Indicators: GNI per capita, PPP (constant 2017 international $)". [Data file]. Available at : https://data.worldbank.org/indicator/NY.GNP.PCAP.PP.KD (retrieved 4 March 2021).