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Breaking the Poverty Trap

Targeted investments can trump a region's geographic disadvantages

By Jeffrey D. Sachs

The most destitute regions of the planet—in Africa, Central Asia, the Andes and a few other places—are not merely poor: they are seemingly trapped in poverty and prone to internal violence and political collapse. The regional distribution of these poverty traps is not random. None are in Europe or North America. Asia now has only a few. Most of tropical Africa is in a poverty trap or barely emerging from one, but northern Africa and South Africa are not. What can we learn from these geographic patterns?

As noted in previous columns, the primary problem in most impoverished places is low food productivity, typically as a result of dependence on irregular rainfall rather than irrigation; on weak and easily weathered soils; and often on steeply mountainous, degraded land. The second problem is a heavy burden of disease. The tropics, especially in Africa, are home to lethal and debilitating diseases that are nonexistent or easily controlled in temperate zones. Malnutrition also raises the disease burden markedly. The third obstacle is physical isolation. Many impoverished states are landlocked, with no easy access to sea-based trade. And even countries with seaports can face extreme transport problems because of mountainous terrain, large inland populations and overall remoteness from world trade routes.

These problems, rooted in geography, set the poverty traps. Food insecurity leads to malnutrition, sickness, hunger-induced violence, and zero- or low-cash incomes for farm households, which are stuck without the means or creditworthiness to invest in agricultural improvements. The poor may have to “mine” the local environment unsustainably by depleting the soil, overfishing, overhunting and cutting down forests. They are increasingly affected by climate change.

The political consequences are equally stark. In his book *States, Scarcity, and Civil Strife in the Developing World* (Princeton University Press, 2006), political scientist Colin H. Kahl of the University of Minnesota describes two main paths by which extreme poverty raises the likelihood of violent conflict and the collapse of a state into lawlessness. First, when deepening poverty leaves the population desperate and the government unable to respond, groups may “self help” by fighting for resources with other groups. Somalia has experienced such a collapse in the past 20 years. Alternatively, if a government takes sides, it may use the state apparatus, even violently, to favor one group against another. The Rwandan genocide was such a phenomenon.

Geographic factors do not change easily. Yet programs of targeted investments by outside sources can break poverty traps at surprisingly low cost. Begin by focusing investments on raising food security and agriculture productivity; enable farmers to gain access to fertilizers, high-yield seeds, small-scale water management technologies and improved livestock management. The result can be a rapid boost in food production and farm incomes, commonly called a green revolution. Africa is primed for such a breakthrough, if donors support it.

The tropical diseases, especially malaria, worm infections and many other water-borne and insect-borne diseases, are readily preventable and often completely treatable. What is needed is a supply chain of crucial commodities, the construction and availability of primary health units in rural areas, and trained village health workers. The results can be dramatic, with a sharp drop in child mortality and a rapid uptake of family planning in as little as a few months.

Investments in infrastructure can break economic isolation. Such improvements include all-weather roads, power grids that reach rural areas, wider cellular phone coverage, and even broadband Internet services obtained through fiber-optic cables or satellite connections. Linking formerly remote villages to regional and world markets enables them to earn much more cash income through sales of agricultural commodities, processed goods and services.

The Earth Institute at Columbia University, in partnership with the United Nations and the nongovernmental organization Millennium Promise, is putting targeted investments to work in Africa, Asia and Latin America. The early results are enormously positive (learn more at www.millenniumvillages.org). Governments around Africa, including some in former war zones, are now requesting such projects. The World Bank and other donors would be wise to respond favorably, because such investment is the best hope for peace, security and long-term prosperity in impoverished regions.

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