



The Future of Global Poverty and Human Development

This volume conveys and explores the most extensive set of forecasts of global poverty ever made. The forecasts are long-term, looking fifty years into the future. They are geographically rich, building up from the country level to continental subregions, continents as wholes, and the world. With India, the study even begins the necessary process of drilling down into countries. Full country details are available in the forecast tables at the end of this volume and accompanying web postings.

The forecasts are also very much contingent; they are scenarios, not predictions. The volume supplements the base case forecast with framing scenarios to provide a sense of the outer boundaries of likely poverty forecasts. It presents intervention scenarios (individual and in packages) to explore the possible leverage that the global community has to incrementally shift the long-term patterns of poverty reduction.

Finally, the study, while focusing very heavily on the specific measure of income poverty now

at the center of global attention, namely \$1 per day, reaches well beyond that measure. It reports forecasts using other measures of income poverty, especially \$2 per day, but also \$5 and \$10 per day. It provides some information on income poverty gaps and on relative, not just absolute poverty. Although more difficult and even more uncertain than income poverty forecasts, the study provides some information about human capabilities and functioning using the human development index and human poverty index of the UN Development Programme. For purposes of consistency across the analysis and because of limitations of space, the text discusses poverty primarily in terms of the \$1 per day measure. Again, however, we invite readers to look at the appendices and supporting analyses for other measures.

What Have We Learned?

With respect to where interacting systems appear to be taking us, other studies have documented the very rapid rate of poverty reduction globally

and forecast its continuance. They also made clear that sub-Saharan Africa is all but certain to miss the Millennium Development Goal (MDG) on poverty and to remain, along with South Asia because of its absolute numbers, of greatest global concern. The base case of International Futures (IFs) reinforces those general understandings and adds considerable detail to them in terms of the countries and regions within those two continental regions and the broader globe. It also holds out the hope, however, that progress in sub-Saharan Africa might well prove considerably faster than has often been anticipated.

With respect to framing scenarios and specific interventions, the study repeatedly concludes that it is highly unlikely that goals as broad in geographic scope and as relatively near-term as the first MDG can be realized, because we have limited ability to shift the underlying systems that rapidly. The study simultaneously reinforces the very substantial leverage that conscious and well-judged interventions can have in the longer term. It also is cognizant of the reality that some countries, such as China via its economic liberalization, have accomplished quite dramatic changes in trajectory; the exceptional foundations for that change nonetheless reinforce the more general conclusion.

With respect to specific interventions, no silver bullets emerged across a wide range of candidates examined. Poverty is a complex syndrome of interacting variables and reinforcing dynamics. Domestic and international transfers appear to provide special leverage in the short run because, if well structured to reach intended recipients, they can directly redress inequalities. In the longer run, however, their impact, too, appears quite limited in the absence of other individual initiatives.

Further with respect to interventions, combined packages involving a very wide range of actions appear to present some trade-offs, but even more synergies. The longer-term effects of broad packages of intervention appear reinforcing. This finding is quite striking, because when the study began it seemed at least as likely that significant trade-offs would appear.

Finally, with respect to interventions, specific subregions and countries obviously have their own histories and paths, still another reason that silver bullets do not exist globally.

Chapters 7 and 8 explored some of the specific conditions that surface in subregions and countries, tailoring interventions in Chapter 7 according to the conditions of the subregions. Such “clinical” analysis of local conditions would ideally drill down to the level of subpopulations and geographic subregions within countries, something not possible in this more aggregate study but potentially feasible with the underlying analytic tool and approach.

Procedurally, this book demonstrates the value of studying poverty futures in the context of a system of models. Poverty analysis obviously requires consideration of the interacting dynamics within and across demographic, economic, educational, health, and sociopolitical systems. In addition, Chapter 9 argues the need for greater attention to the environment, conflict, and governance than has been possible here. One could add infrastructure and technological change to the list of key subsystems given inadequate attention.

What Are Our Uncertainties?

Discussion of what we have learned has also indicated many of the weaknesses of this study and our uncertainties about the future of global poverty. We can identify many others. For instance, poverty analysis should attend to the urban-rural dimension, as well as to age and sex and even to important ethnic and rigid class or caste divisions. Current problems with breaking our models down into such categories in no way obviates the need to do so in the future. Chronic poverty pockets will increasingly become the focus of extreme poverty reduction efforts as large portions of most global populations move beyond it. The use in this volume of an alternative, cross-sectionally based formulation for forecasting poverty reduction hints at the possibility that traditional forecasts, treating populations as largely homogeneous across a lognormal or similar distribution, may be inadequate.

Beyond this, we must admit that uncertainties in forecasting with a complex model are legion. Each formulation is a simplification of real-world relationships and each is almost always less understood than we would like. Collectively, the interaction of such formulations quite reasonably leads some to conclude that the task is hopeless and even

■ *Significant poverty reduction requires combined packages of initiatives, tailored to specific conditions.* ■

● *The setting of global goals and evaluation of progress toward them should involve integrated analysis of human systems and long-term analysis horizons.* ●

misleading. This study has repeatedly concurred with the analysis of difficulties. Yet it has also repeatedly argued that policy analysis requires forecasting and that explicit, generally transparent, formal efforts can add value relative to simple extrapolations or assertions from often implicit mental models.

What Next?

No one should have believed that the process of setting and pursuing MDGs, including that for poverty reduction, would end with the target date of 2015. Global pursuit of improvements in the human condition has progressed through many rounds of targets, some met, most not. And even if the poverty MDGs were to be met in 2015, doing so would only cut poverty and hunger by one-half.

There is thus need, increasingly pressing, for several steps. The first is to extend the horizon of global goal setting to at least 2030. This time, however, we should explicitly acknowledge the difficulty of rapid progress and at least frame such goal setting in a still longer perspective. Midcentury seems a reasonable horizon for such framing. Theoretically, the last round of goal setting extended across twenty-five years, from 1990 through 2015, but after the enunciation of the goals, only fifteen years remained. If the global community enunciated a new set of global targets in 2010, perhaps for 2030, the deeper framing analysis should look at least out forty years to 2050.

Second, global goals should not pretend to be appropriate for all regions and countries. Setting of global goals has the benefit of facilitating easy statement and review. It can help draw attention to regions and countries falling short. It can help mobilize resources and even appropriately direct those to the regions and countries furthest from the goals.

Yet nondifferentiated goals also fundamentally condemn some countries and regions to the status of failure from the day of their statement. Sub-Saharan Africa is, of course, the primary victim of such failed expectations. Poverty reduction is not the only example or even the most egregious. The goal of universal completion of primary education by 2015 did not even recognize the different starting positions of countries around the world on the indicator variable. At least the

poverty goal, with its relative statement of the goal in terms of 50 percent reduction, did that, although the poverty goal also failed to recognize the very different contextual conditions and dynamics of countries.

The Poverty Reduction Strategy Paper (PRSP) system offers real hope of more differentiated goal setting within the context of global objectives. It needs, however, to look longer-term as well. And, of course, we still need to set and evaluate country-specific goals in the context of a dynamic analysis of prospects.

Finally, the global development community needs integrated reviews of progress toward the goals, set within an analysis of the potential for future progress. In addition to the PRSP process, the World Bank and United Nations agencies and regional commissions have set up useful monitoring reviews around the MDGs. Studies such as this one can contribute needed analysis of longer-term context.

With respect to the “What Next?” question, this project on Patterns of Potential Human Progress has several plans of its own. The next two volumes will drill down into global education and health. Ones after that will look at infrastructure and governance. Active development will continue on the tools underlying the studies, which will remain publicly and freely available. The analysis will continue to be global, with as much geographic differentiation as possible, and will be long-term. The ultimate goal of the project is better understanding the global human condition so as to contribute to its improvement.

