

PSCI 2500 INTERNATIONAL RELATIONS

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What is poverty?

- Poverty is the lack of capacity provided by material possessions or money to participate effectively in society.
- It is the denial of choices and opportunities that are accessible with material wealth.

Facts & Figures

- 836 million people still live in extreme poverty
- About one in five persons in developing regions lives on less than \$1.25 per day
- The overwhelming majority of people living on less than \$1.25 a day belong to two regions: Southern Asia and sub-Saharan Africa
- High poverty rates are often found in small, fragile and conflict-affected countries
- One in seven children under age five in the world has inadequate height for his or her age
- Every day in 2014, 42,000 people had to abandon their homes to seek protection due to conflict

What is Development?

- Orthodox view: A top down view of development as large scale investment in advanced technology.
- Relies on knowledge from external (often Western) "experts".
- Measures development using economic growth, gross domestic product (GDP) or GDP per capita, industrialization etc.
- It is based on *modernization theory*; *the theory that equates development to economic growth.*

What is Development?

- Alternative view: A bottom-up view of development as small scale investments which are participatory and informed by appropriate (often local) knowledge and technology.
- It views development as *capacity enhancement-education, equality, justice, empowerment etc.*
- Informed by principles of international economic liberalism like *embedded liberalism- free market with some state intervention to support security and stability*

The Washington Consensus

- The belief of Washington policymakers that global development can be maximized if all countries implement neoliberal economic policies like free market and minimal state role in the economy.
- It informed global development policies from the 1980s to 1990s.
- Premature liberalization led to massive increases in poverty in many developing countries especially in Africa.

