

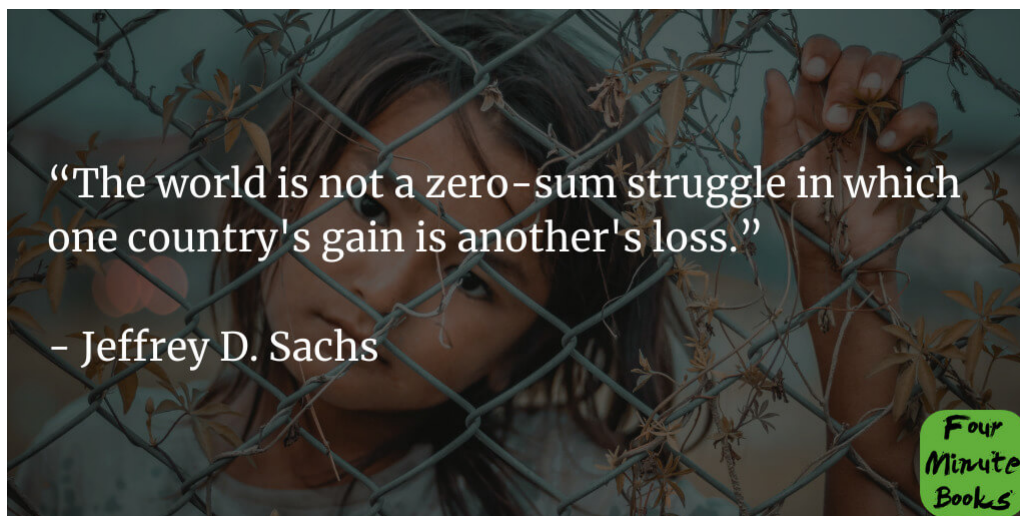
The End Of Poverty Summary



1-Sentence-Summary: *The End Of Poverty* will help you develop a kinder and more compassionate heart by opening your eyes to the terrible state of the poorest countries in the world, how they got to be this way, and why solving this problem is in our best interests and may be easier than we think.

Read in: 4 minutes

Favorite quote from the author:



Did you know there is more than enough wealth in the world to bring an end to poverty? But yet millions of people are living on just one or two dollars a day. And tragically, about 18,000 children die of malnutrition daily.

It's pretty awful to think about how many people live lives of luxury and comfort while others don't even know if they'll have enough money to feed their families. Many of us go day to day not thinking about this bizarre reality. But the real question is, why does poverty still exist to this extent?

It's true that huge amounts of aid are sent to developing countries every year. But yet, poverty remains. So should we give more? Or should we give up? In *The End Of Poverty: Economic Possibilities for Our Time* by Jeffrey Sachs, we learn the real truth behind why poverty persists and what we can collectively do to overcome it.

Sachs reveals that poverty is a complex problem and the reasons for it are highly individual to each country. But the good news is that helping countries affected by extreme poverty can be done, as long as developmental aid can be invested wisely.

Here are 3 of the greatest lessons I've learned from this book:

1. The poorest countries are stuck in the poverty trap and can't get out on their own.
2. There is no one-size-fits-all solution to this dire problem, we must tailor our efforts to each individual country.
3. If you live in a wealthy country, you need to prioritize ending poverty, it will improve your quality of life too.

Let's get right into these lessons and discover the difficulties with this worldwide problem and how to solve it!

Lesson 1: Poor countries can't get free of the poverty trap on their own.

Poverty is the result of a variety of factors, but most impoverished countries are caught in a poverty trap. **This is a vicious cycle that doesn't allow them to pull themselves out of poverty on their own.**

One example of something that can cause a poverty trap is geographical positions. Many developing nations don't have conditions allowing for economic growth. Maybe they are surrounded by deserts or mountains, which makes for high transportation costs. Or maybe the climate isn't good for consistent agricultural success.

Another issue that can trap people in poverty is bad governance. If the government doesn't prioritize economic growth, the nation will lack in infrastructure. Without good transportation networks, roads, and education, economic development can become impossible.

Sometimes countries that are poor and small can suffer from a "brain drain." Meaning, those who get an education leave to a richer country because the local market isn't good for business.

Lastly, demography can present a problem. Extremely high birth rates in developing countries slow down economic growth. This is because when families are large, they don't usually have the means to send all the kids to school, so the next generation doesn't have the tools to succeed.

Lesson 2: We can't fix this problem by using the same solution everywhere, we must use specific methods for each country.

People might try to come up with a magical solution to stop poverty forever, but in reality, there is no one-size-fits-all solution. **Every country that suffers from poverty has its own individual problems.**

One example Sachs shares is Bolivia. In the 1980s, the country had hyperinflation of their currency by a staggering 24,000 percent. The exchange rate of pesos to dollars was in the millions.

The issue was due to the fact that the state was spending money it didn't have on producing gas and oil. Running a budget in the red like this quickly devalued their currency. So the country started measures to stall inflation.

One of the things they did was stop spending money on oil production. The exchange rate quickly stabilized. But unfortunately, they found themselves in crisis again because the problem was more than just a deficit in the budget.

Because Bolivia is landlocked, the only profitable exports were natural resources. Any other exports weren't worth the high transportation costs. The economy became entirely dependant on the prices of natural rubber and tin which were losing value. This issue, along with high public spending was creating a huge problem.

The problem was more than just a budget deficit. So this time, it defaulted on its debts and overhauled the tax system to increase government income in order to create a sustainable solution.

Lesson 3: We must make ending poverty a high priority.

Developmental aid can help end poverty if used right. But it's also imperative to change international politics if we want to make a real difference. The first priority, Sachs says, is that we should cancel all poor countries' national debt. They are crippling and they will never be able to repay them.

These debts only make borrowing for these struggling countries even more expensive. **The rising costs of financing can make it impossible for them to invest in their futures and escape the trap of poverty.**

But the countries will also need to do their part by boosting exports. The first step for economic growth should be free trade. Second, they should have the opportunity to sell goods to Western countries. As of right now, agricultural customs of the European Union and the United States have restrictions on these exports. For the sake of these nations, we need to end the restrictions.

Additionally, medicinal sciences should stop ignoring issues of poor nations. Each year, we spend billions on diabetes research, while we do almost no research to help treat dengue fever.

Lastly, we need to address climate change. Africa releases comparatively small emissions and doesn't consume many resources, but the continent is affected disproportionately by climate change. Climate change contributes to devastating floods and droughts which hurts their economy and infrastructure.

The End Of Poverty Review

I really wish poverty didn't exist and that there was more I could do to help stop it. *The End Of Poverty* opened my eyes to the reasons this problem exists and some ways we might end it, which I appreciate. I just hope that wealthy governments throughout the world can stop bickering over silly issues and start actually helping countries that are less fortunate.

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Who would I recommend The End Of Poverty summary to?

The 58-year-old American who thinks that starving kids in Africa aren't their problem, the 35-year-old budding politician who has the power to influence the world for the better, and anyone that cares about the quality of life of their fellow human beings no matter how far away they may be.