



A WORLD BANK POLICY RESEARCH REPORT

# GLOBALIZATION, GROWTH, & POVERTY

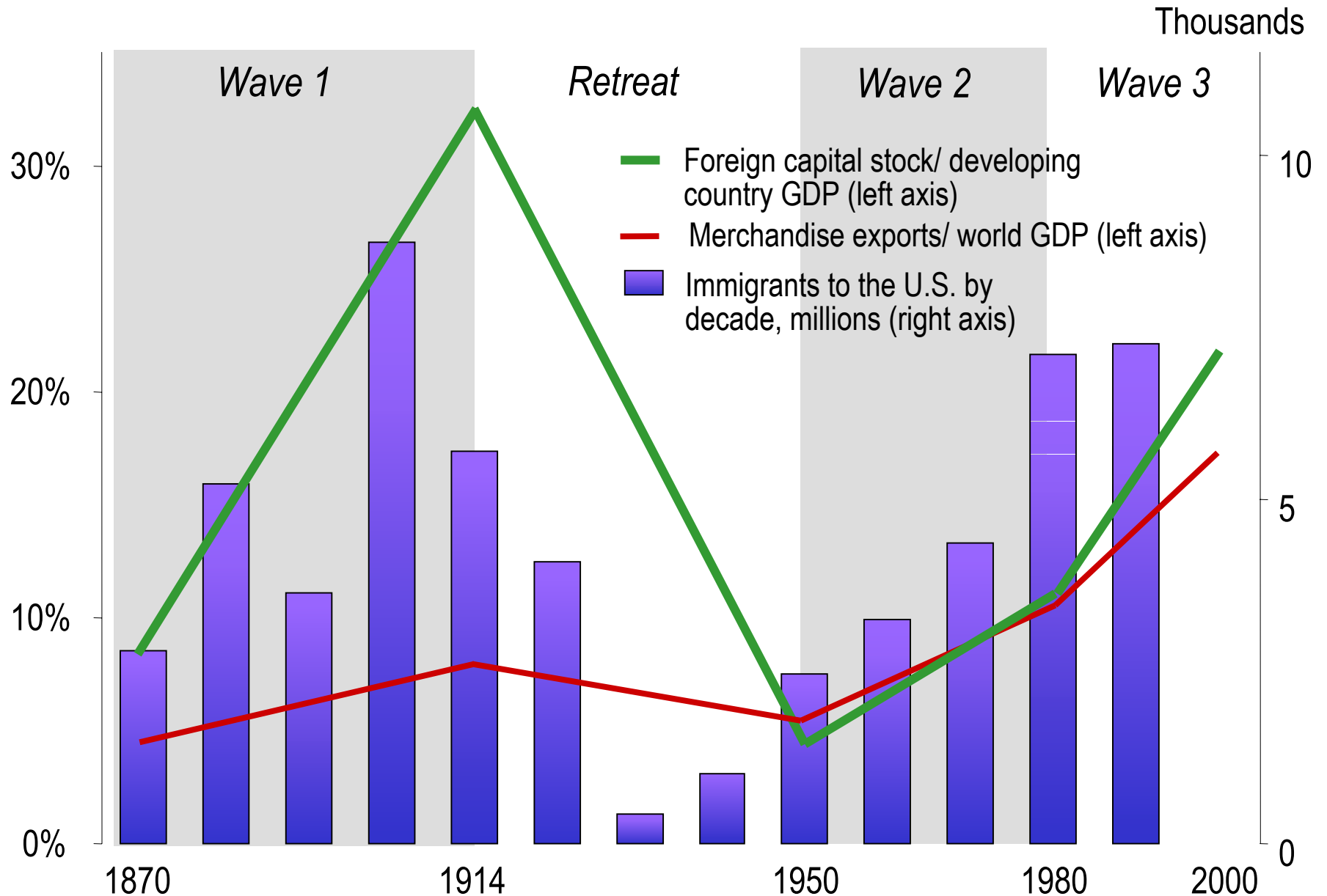


Building  
an Inclusive  
World  
Economy

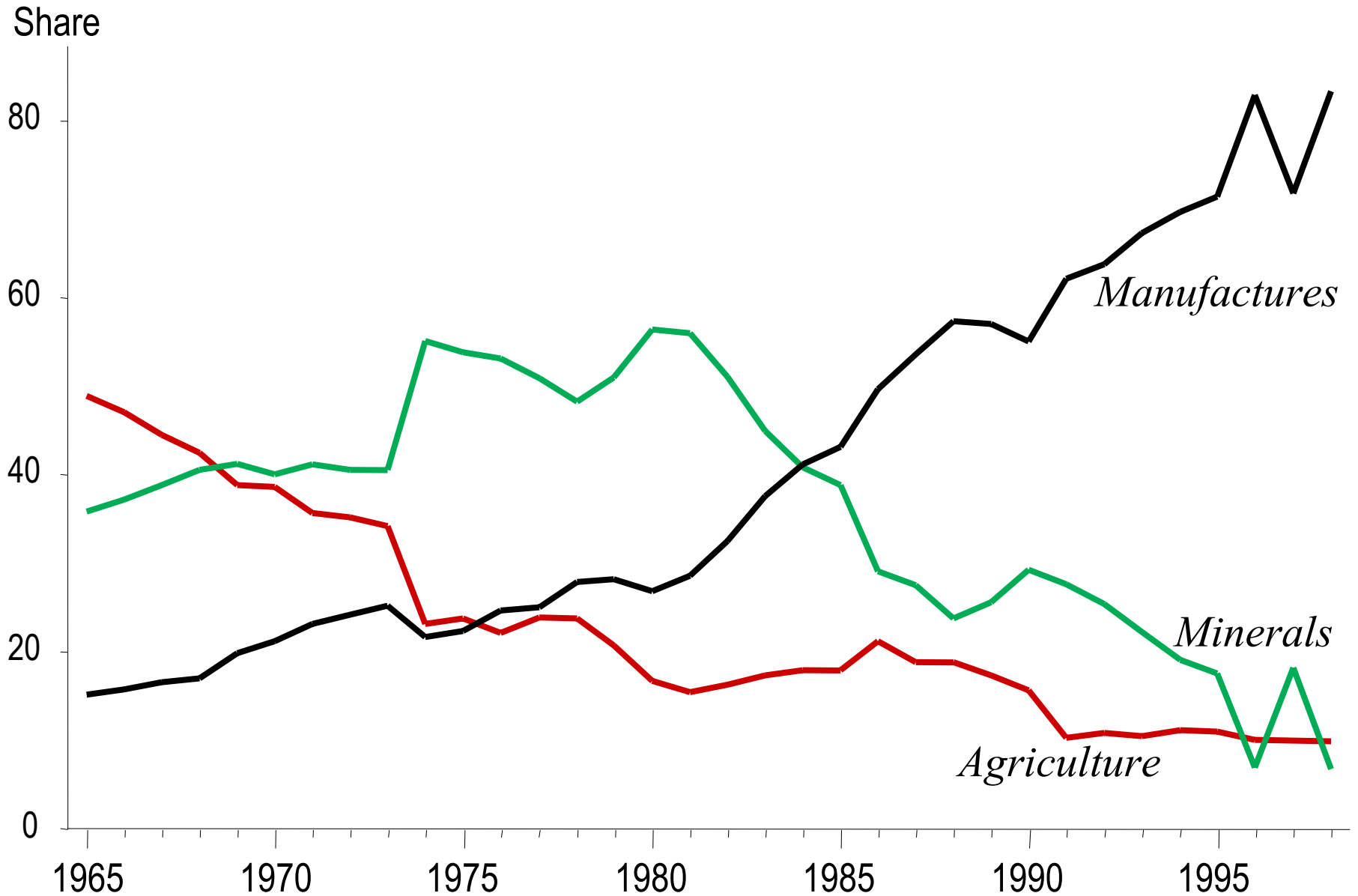


## Globalization, Growth and Poverty: Building an Inclusive World Economy

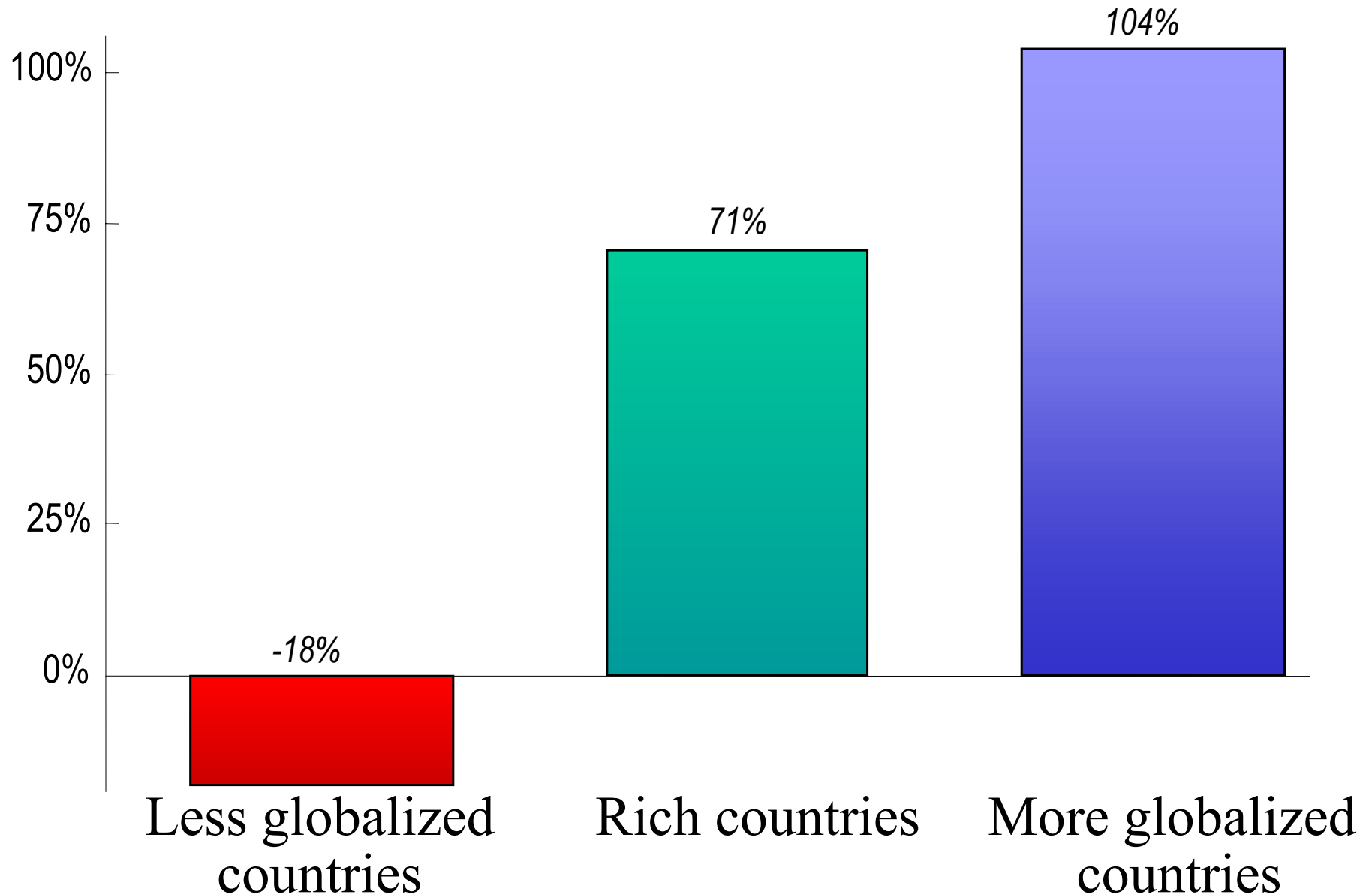
# Three waves of globalization



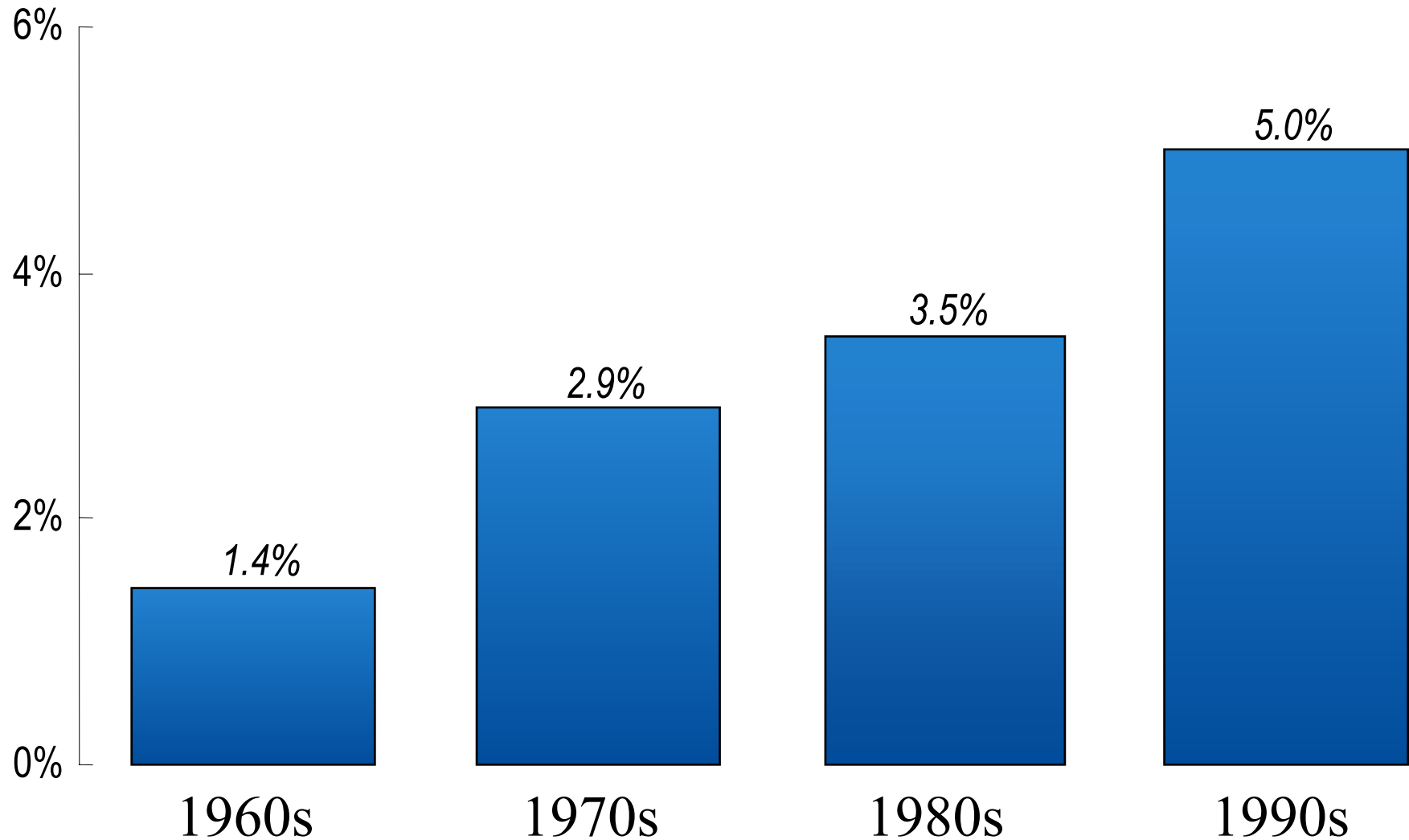
# Developing country exports have shifted toward manufactures



# Increase in trade/GDP: 1970s to 1990s



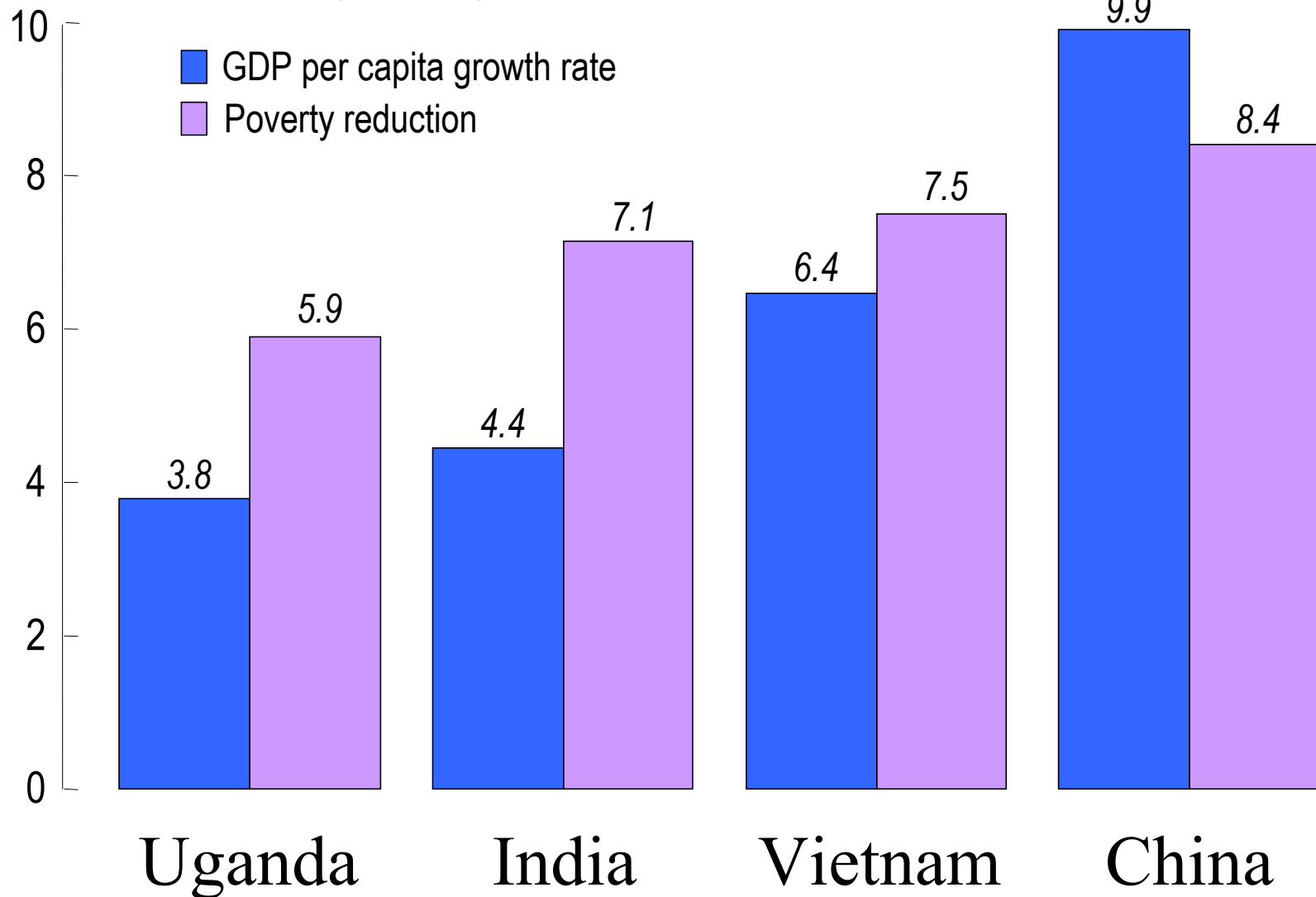
# Growth in globalizers accelerated as integration proceeded



Reflects process of policy changes adopted by governments of globalizing countries.

# Economic growth is vital in reducing poverty

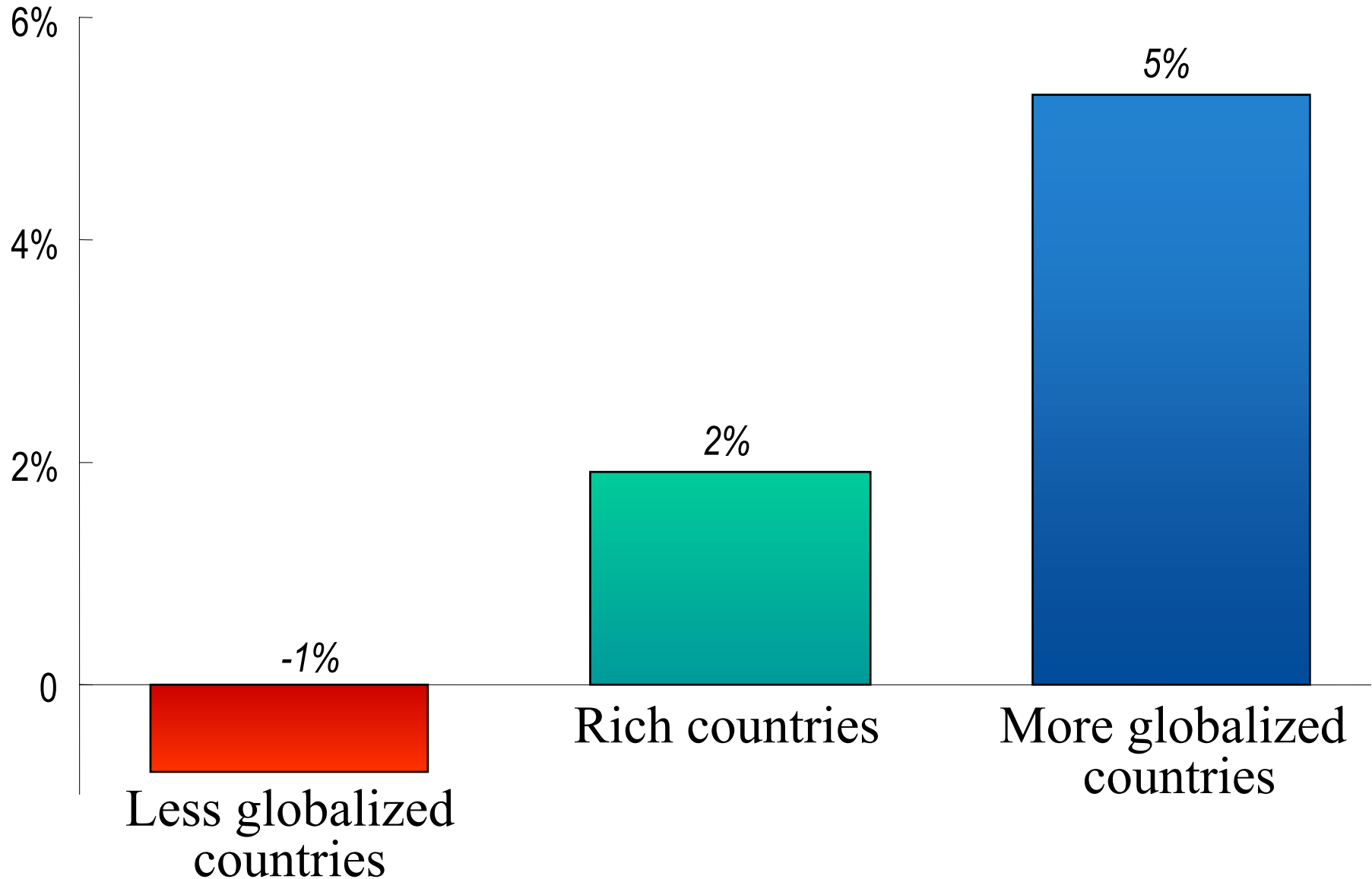
Percent per annum (1992-98)



Also positive effects on other dimensions of poverty, such as education:  
stronger growth in primary schooling among globalizers

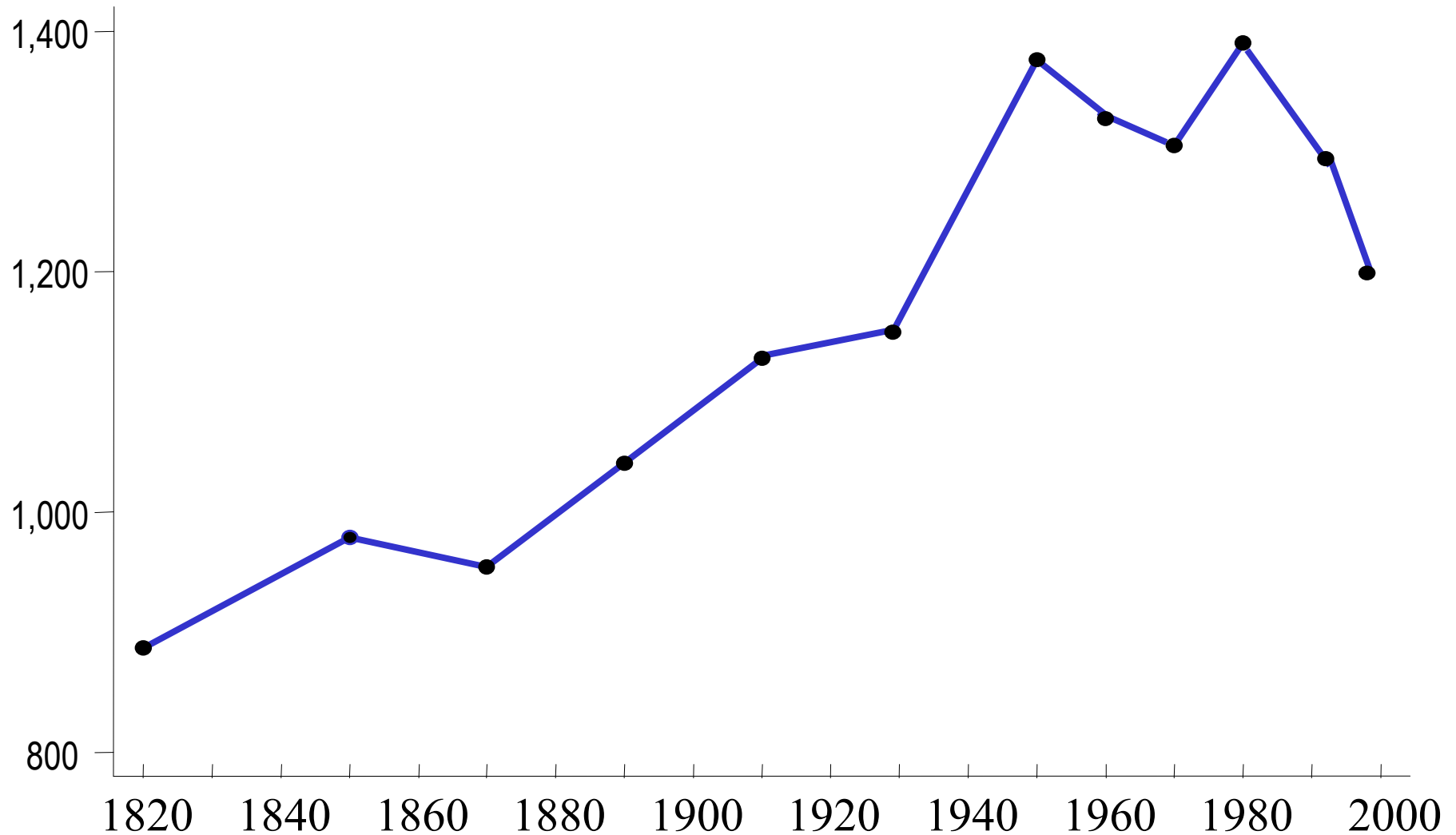
# Poor countries that integrated with global economy are growing fastest

GDP per capita growth rates, 1990s (ppp)



# Number of very poor has fallen since 1980

Number of people living on less than \$1 per day (millions)



Poverty has dropped by 200 million over past 20 years, despite world population increased by 1.6 billion.

# Globalization: Agenda for Action

- “Development round” on market access
- Improving the investment climate
- Strengthening education, health and empowerment
- Social protection
- More – and better – aid
- Debt relief for reforming countries (HIPC)
- Global collective action (e.g., warming)