

The ideal curve

Development aid is not a one-size-fits all affair. In order to devise the best development strategy, one should look at how poverty is distributed within a country, says Rutger van den Noort, who will defend his thesis ‘Towards the end of global poverty’ this month.



Rutger van den Noort believes that there are five clusters of countries with significant differences. (Photo: Rutger van den Noort)

For years Rutger van den Noort looked at data on how poor countries had developed between 1987 and 2007. It began to dawn on him that countries that developed quickly, like South Korea, seemed to have been following a very specific curve that describes how poverty is distributed within the countries. He believes that this curve, which he calls the global poverty ratio curve, holds the answer to poverty reduction.

“Developing countries are referred to as ‘the third world’,” Van den Noort says. “Yet this doesn’t do justice to the huge differences in incomes between developing countries. With reference to the global poverty ratio curve, I believe that there are five clusters of countries with significant differences, which should also be dealt with differently by the development

aid sector.”

In poor countries that are clearly below the curve, poverty is spread quite equally among the majority of the population. If a country is to be poor, the poverty might just as well be distributed equally, one might say. But according to Van den Noort, there should be, on the contrary, more inequality if the country is to develop faster.

“Egypt is an example of such a country,” the researcher says. “Many people are highly educated there, yet these people hardly earn anything. The economy in that country should be bigger in order for these people not to become frustrated.”

In countries that are situated above the ideal global poverty ratio curve, development aid should be a whole other ball game. In such countries, like Botswana and Angola, the available income is distributed much too unequally. Bilateral help in these countries doesn’t work, Van den Noort believes: “The money will disappear straight into the pockets of corrupt politicians. In order for these countries to get on the right curve, large companies should settle in, so that jobs are created. An increase in export is also very important in these kind of countries. “Governments, NGO’s and corporations should understand these differences and closely collaborate. Now they seem to be more interested in just pursuing their own agendas.”