The magnitude of the problem

- Poor countries are very poor indeed.
  - GNP per capita at current exchange rates in 2002 in Switzerland was 37900. What was it in the poorest country?
  - GDP per capita at PPP in 2002 was 35060 in the US. What was it in the poorest country?
  - 72.8% of the population in Mali in the 1990s lived on less than $1 a day at 1993 PPP prices and almost 91% in Nigeria lived under $2 a day.
This translates into

• 40% of the children under 5 in Mali in 1992-97 had measurable signs of malnutrition (53% in India, 0 in Sweden)

• Under 5 mortality rate in Mali was 235/1000 in 1997 (286 in Sierra Leone, 6 in Norway)

• Life expectancy at birth for males was 49 years in Mali (36 years in Sierra Leone, 77 in Sweden)

• 72% of adult females were illiterate in Mali in 1997 (93% in Niger, 0 in Sweden)
The Story Of Abu

• From *A quiet violence*, by Betsy Hartman and James Boyce, 1983.

• A quasi-journalistic account by two economists of life in rural Bangladesh, circa, 1975.

• These were the worst years in the history of Bangladesh. Things have gone much better since.

• This is story of one peasant family.
The First Visit

- Abu is sick. He has not been able to work for the last three weeks.
- His children are hungry.
- His oldest daughter, who is still a child, is the only earner in the family. She gets $\frac{1}{4}$ kilo of rice for husking rice all day.
- Abu cannot afford the Rs. 100 ($6 or so) that he needs to pay a doctor.
The past

• Abu used to have enough land to live on, but he needed money to take care of his mother who was sick, and sold some of the land.
• She died any way.
• They had a number of children and the land they had was no longer enough to feed everyone.
• When there was no food, they borrowed from the money lender at very high rates, which ate into their future income.
• Abu started working for a landlord who gives one meal and 1.25 kilos of rice a day.
• He could sharecrop and get to keep half of what he grows but he gets it after the harvest and in the meanwhile they starve. Also renting a plough-team costs 2 days labor/day.
• He had to mortgage more land to his landlord.
The future

- At the first visit they are still optimistic.
- Abu had planted a jackfruit tree four years ago.
- In a couple of years it will yield fruits that can be sold and bring in good money.
The second visit

- Abu has sold land to pay the doctor.
- His wife has no work.
- In the lean season he cannot find work either, so they are starving.
- Abu cuts down a jackfruit tree and sells the wood for 25 takas. It never got a chance to bear fruit.