

World Bank Group President Calls for a World Free of Poverty

April 2, 2013

Kim outlines ambitious agenda for ending poverty and increasing inclusive growth

WASHINGTON, April 2, 2013—Calling for ambitious new goals to help the most vulnerable, **World Bank Group President Jim Yong Kim** today outlined a bold agenda for the global community toward ending extreme poverty by 2030 and promoting shared prosperity to boost the incomes of the poorest 40 percent of the population in each country.

*“We are at an auspicious moment in history when the successes of past decades and an increasingly favorable economic outlook combine to give developing countries a chance - for the first time ever - to end extreme poverty within a generation,” **Kim said in a speech at Georgetown University.** “Our duty now must be to ensure that these favorable circumstances are matched with deliberate decisions to realize this historic opportunity.”*

Speaking in advance of the upcoming World Bank/IMF Spring Meetings, **Kim** observed that developing economies rebounded quickly from the crisis and are now in a fundamentally sound position, thanks to greater macroeconomic stability, a stronger rule of law, and increased investments in human capital and infrastructure. Productivity growth in the private sector, the source of 90 percent of all jobs, is high.

Kim noted that the first Millennium Development Goal (MDG), to halve extreme poverty, was achieved in 2010, five years ahead of time, after developing countries spent years investing in social safety nets and working hard to build the fiscal space and create the macroeconomic buffers to respond effectively if a crisis hit.

To achieve the more difficult goal of virtually eliminating extreme poverty, **Kim** described three factors necessary:

- First, to reach the goal by 2030 will require an acceleration of the growth rate observed over the past 15 years, and in particular sustained high growth in South Asia and Sub-Saharan Africa.
- Second, it will require efforts to enhance inclusiveness and curb inequality, and ensure that growth translates into poverty reduction, most importantly through job creation.
- And third, it will require that potential shocks – such as new food, fuel, or financial crises and climatic disasters – be averted or mitigated.

Noting that many global leaders, over many decades, have spoken about ending poverty, **Kim** recognized that to realize this vision will take a commitment from the entire global development community that matches the scope of the challenge, and he hailed recent calls from global leaders to take action.

“Recently a number of courageous politicians have committed to ending poverty in their countries, including Dilma Rousseff in Brazil and Joyce Banda in Malawi. Similarly, US President Barack Obama and UK Prime Minister David Cameron endorsed the vision of ending extreme poverty globally. These bold calls demand action,” said **Kim**.

Kim pointed out that the date of 2030 is highly ambitious: *“To reach the 2030 goal, we must halve poverty once, then halve it again, and then nearly halve it a third time—all in less than one generation.”*

Kim asserted that to meet global challenges, fighting extreme poverty alone is not enough: *“We must collectively work to help all vulnerable people everywhere lift themselves well above the poverty line. At the World Bank Group we call this boosting shared prosperity.”*

Though the World Bank Group’s efforts are especially focused on the countries with the fewest resources, **Kim** stated that the Bank Group’s work is not just in poor countries, and he called for the Bank and its partners to work toward the second goal of boosting the incomes of the poorest 40 percent of the population in each country.

“Our work is in any country where there are poor people, or where people face economic exclusion. This goal will ensure we address the priorities of equity and inclusion more systematically in all of our strategic decision-making,” said **Kim**.

Kim made clear that ending poverty and boosting shared prosperity are not goals which the World Bank Group itself will achieve. *“They are goals which we hope our partners – our 188 member countries – will achieve, with the support of the World Bank Group and the global development community.”*

But **Kim** strongly asserted how the World Bank Group will be there to help, in at least four ways.

- *“First, we will use these goals to help us choose among competing priorities, as we identify the projects where we can have the most transformative impact.*
- *Second, we will closely monitor and observe progress toward these goals, and will report annually on what has been achieved and where gaps remain. These yearly reports with extensive publicly available data will provide a clear record of progress.*
- *Third, we will use our convening and advocacy power to continually remind policymakers and the international community what it will take to realize these goals.*
- *Fourth, and perhaps most importantly, we will work with our partners to share knowledge on solutions to end poverty and promote shared prosperity.”*

Kim noted that Friday, April 5 marks 1,000 days until the end of 2015, the deadline for achieving the MDGs, and while progress on the MDGs has been impressive, it remains uneven across populations and sectors. **Kim** called on the global community to use these last 1,000 days to redouble efforts in areas where there have not been strong enough advances.

“If we act today, we have the opportunity to create a world for our children which is defined not by stark inequities but by soaring opportunities. A sustainable world where all households have access to clean energy. A world where everyone has enough to eat. A world where no one dies from preventable diseases.”

“A world free of poverty.”