

GLOBAL POVERTY PROBLEM AND ITS ELIMINATION AS A CONTRIBUTION TO SUSTAINABLE DEVELOPMENT

**Jala Bayram DADASHOVA, Doctor of Philosophy in Economics,
Professor of the “Economics” Department,
National Aviation Academy, Baku, Azerbaijan**

<https://orcid.org/0009-0002-9361-1777>, j.ala@inbox.ru

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***Abstract.** As we know, the main goal facing countries in the world today is to achieve sustainable development. It was adopted by the UN as one of the main goals of Sustainable Development by 2030, and we can even say that it is the first goal of “Ending poverty and all its forms in every part of the world”. Of course, the reduction of poverty is fully related to the improvement of the standard of living of the country. It is in the article that the main directions of the standard of living in the world, the problem of poverty are investigated and directions for its elimination are indicated. Also, the article shows the strategic measures implemented to reduce poverty and improve living standards in the Republic of Azerbaijan.*

***Keywords:** poverty, unemployment, human development index, sustainable development, the standard of living*

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***UDC:** 364.662*

Introduction. The standard of living is considered one of the most important and basic elements of the socio-economic development of society. Its rise to a high level is considered as the main social goal of the country. The standard of living means the level of satisfaction of the population's moral, social and material needs either separately or in a certain way. The standard of living of the society depends on the level of nominal incomes and real incomes of the population, as well as the level of satisfaction of the needs of the population. In other words, in order for the standard of living to be high, the income of the population must be high and these incomes must be at a level that can meet their social needs. The existence of inequality between the incomes of the population undoubtedly means a change in the standard of living among people, as a result of which social stratification, more precisely, the categories of 'rich' and 'poor' are created in society. So, based on what we mentioned, it can be said that the poverty level is considered as one of the main indicators of the standard of living. When we talk about poverty, we see that there are different approaches.

Poverty is not having enough money to meet basic needs, including food, clothing, and shelter. Poverty is an unacceptable human condition. This situation is not permanent: public policies and measures can and should alleviate poverty. This in itself means development.

The World Bank describes poverty as:

'Poverty is hunger. Poverty is a lack of shelter. Poverty is being sick and not being able to see a doctor. Poverty is not going to school and not knowing how to read. 'Poverty is lack of work, fear for the future.' Therefore, poverty deprives people of the right to health, the right to education, the right to housing, the right to security, the right to speech, and the right to justice.

Just as there are different approaches to poverty, there are also different types: absolute, relative, subjective.

Poverty determined by the resources that satisfy the minimum consumption requirements is called absolute poverty, the ratio of the population's welfare level to the level of material security in the country is called relative poverty, and poverty, which is perceived as an individual's financial condition and standard of living based on a survey, is called subjective poverty.

Today, 736 million people live in extreme poverty. Half of these people, about 368 million, are concentrated in just five countries.

In the 2018 World Bank report on poverty, it was noted that the five countries living in extreme poverty are India, Nigeria, the Democratic Republic of Congo, Ethiopia and Bangladesh.

About a quarter of global poverty is accounted for by India, which has 170 million poor people. Also, 3% of the world's poor live in Bangladesh, 12% in Nigeria, 7% in the Democratic Republic of Congo, and 4% in Ethiopia (Hajizadeh, 2006, p.102).

In general, when South Asia and Sub-Saharan Africa region are combined, we observe that 85% of the world's poorest people live in this region. People living in extreme poverty 63% of people over the age of 15 have no education. 593 million children live in extreme poverty. As we mentioned, despite the fact that the population in developed countries lives at the level of poverty, the level of extreme poverty in the world falls on the share of most developing countries. Almost 800 million of the 4.6 billion people living in developed countries do not have enough food to lead a normal, healthy and active lifestyle. Even the biggest problem of poverty is 850 million people who are illiterate, more than a billion people have no access to clean drinking water, and about 2.4 billion people have no access to even sanitation (Hajizadeh, 2006, p.102).

Substantial poverty reduction in these five countries has been recognized as one of the most important steps to achieve significant sustainable progress towards the global goal of reducing extreme poverty below 3% by 2030 by the United Nations. It should also be noted that as of September 2022, the measurement of the poverty level has changed from \$1.90 to \$2.15.

The fight against poverty has become one of the most urgent problems in our country as well as in several countries of the world. Strategic measures are currently being implemented in our republic to reduce poverty and improve the standard of living. As a result of socio-economic reforms carried out in our republic, the level of poverty has significantly decreased from 49 percent to 5 percent over the past 22 years. By the beginning of 2022, the level of poverty in Azerbaijan was 5.9%. By the beginning of this year, the population of the country was 10 million 156.4 thousand people. Also, 599,228 people live below the poverty

line in Azerbaijan. The graph below clearly shows the level of unemployment in Azerbaijan.

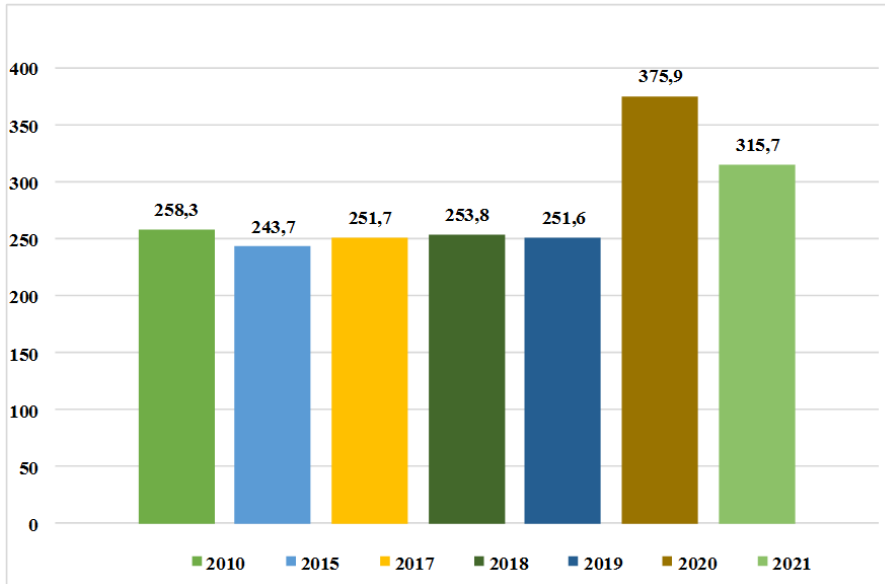


Figure 1. The number of unemployed people in Azerbaijan during 2010-2021 (thousand people)

Source: Official website of the Statistical Committee of the Republic of Azerbaijan - www.stat.gov.az

It can be seen from the picture that the level of unemployment in Azerbaijan was variable during 2010-2021. Especially in 2020, this indicator has increased excessively. As we know, this was also caused by the corona virus. Later, this indicator decreased.

Many measures are taken in the world to eliminate poverty. Among them, the following can be mentioned:

- To prepare and implement programs on the policy of rapid and sustainable economic growth in the fields of health and education:
- Proper management of natural resources;
- Making and implementing investments;
- Encouraging countries to trade;
- To develop entrepreneurial ability;
- Ensure equal access to resources

In general, unemployment is one of the main factors that create poverty. The state employment policy provides assistance to the unemployed through active and passive measures. Provision of unemployment benefits is mainly considered among passive measures. Active measures mainly include the organization of vocational trainings, the holding of labour fairs and other numerous measures, and are mainly aimed at the organization and improvement of the labour market and the adjustment of the labour force to the requirements of the economy.

Today, measures aimed at the social protection of the low-income population group are being implemented in Azerbaijan. Economic development

and continuous growth of budget revenues are accompanied by further reduction of the poverty level and strengthening of the social security system in general.

In the end, it can be noted that the poverty threshold is evaluated differently based on the internal socio-economic policy of each country. The main indicator that characterizes the poverty line in Azerbaijan is the amount of income to meet the minimum consumption needs of the population. In other words, the cost of subsistence is considered as the poverty line.

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