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Notable & Quotable: Poverty Is Going Extinct

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Johan Norberg

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Did you hear the breaking news? Yesterday, 138,000 people rose out of extreme poverty. Another 138,000 rose out of extreme poverty the day before. And the day before that, too. Of course you didn't, because a plane crash or a terrorist attack is news, but slow and steady progress is not. Even 50 million people rising out of poverty in a single year is not news.

But this happens to be the most important story of our time: poverty, as we know it, is disappearing from our planet.

Since 1990, when social critic Naomi Klein claimed that global capitalism lapsed into its most savage form, the proportion who live in extreme poverty—according to a \$1.9-a-day poverty line, adjusted for local purchasing power and inflation—has been reduced from 37 per cent, to less than 10 per cent.

At the United Nations Millennium Summit in 2000, the world's countries set the goal of halving the 1990 incidence of extreme poverty by 2015. This was met five years ahead of the deadline. And even though the world population grew by more than two billion between 1990 and 2015, the number of people who live in extreme poverty was reduced by more than 1.25 billion people.

This marks a historic rupture. For the first time in human history, poverty is not growing just because population is growing. As a result, the number of people in extreme poverty is now slightly less than it was in 1820. Then it was around one billion; today it is 700 million.

If this does not sound like progress, you should note that in 1820, the world only had approximately 60 million people who did not live in extreme poverty. Today more than 6.5 billion people do not live in extreme poverty. So the risk of living in poverty has been reduced from 94 per cent in 1820 to about 10 per cent today.

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