We Can End World Poverty
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Essentially every day for the past 50 years, the front-page news of any newspaper could have read "22,000 children died today of easily preventable causes!"[1] Extreme world poverty results in thousands of daily deaths due to malnourishment, hunger, or diseases that often cost less than a dollar to prevent or treat. Not only is this state of affairs depressing due to the ongoing immense human suffering and because the world could have solved these problems decades ago, but also because still, not enough is being done.

On the bright side, extreme poverty *can* be eliminated, and 30 years is a reasonable, if not a conservative, timeframe. Substantial progress has already occurred due to economic growth in the developing countries: researchers estimate that the number of people living in extreme poverty was nearly halved in the past decade.[2] And there is little reason to think this economic growth will disappear: over the past decade, developing countries maintained a GDP growth rate that was about 2-4% above that of the developed countries, even during the global financial crisis in 2007-2010.[3]

Unfortunately, market forces may not help everyone, and until some of the world's poorest are given a boost, they may remain poor indefinitely. Charitable aid is thus the missing link in eliminating extreme poverty. Though the world's richest countries pledged to give 0.7% of their Gross National Income in form of charitable aid, most have consistently failed to deliver.[4] Worse yet, the foreign aid that is given is often sent not to help the people in greatest need, but as political barter.[5] Because political change for the better may not occur, the funding gap therefore would need to be filled by personal charitable giving.

Extreme poverty is commonly defined at a rather arbitrary cutoff of living on less than $1.25 per day. One approach to eliminating extreme world poverty is for the rich countries to simply distribute up to this amount to every person who currently lives on less. Such a safety net would cost approximately $66 billion per year, slightly more than half of all official aid.[6] While it's a feasible solution, it is possible that this approach would not solve the underlying problems involved.

To understand how the systemic problem of extreme poverty can be solved, one needs to first understand the following key facts. The world's poorest are so due to no fault of their own: they are typically born into families unable to provide nutritious food and raised in places without adequate health care or education. With high child mortality rates, parents compensate by having more children.

There are solutions to this: researchers have consistently shown that by reducing the child mortality rate and providing better education, the next generation starts on an upward trajectory by having fewer children and a greater income. The official estimate from the United Nations Development Program for providing basic education, water, sanitation, health, and nutrition to the world's poorest is about $28 billion/year.[7] Though the sum seems large, it pales in comparison to discretionary spending in the US and Europe: sales of pet food and perfume alone account for about $30 billion per year.[8]

Today is different than before: the internet provides invaluable resources for private donors. For instance, GiveWell is an organization that constantly evaluates charities based on cost-effectiveness and shares its detailed research to help donors decide where to give. Some organizations are 10,000 times more cost-effective than others at solving the same problems.[9]

To take a few examples that demonstrate the low cost of certain interventions: researchers assert that for every $3.50 spent on deworming school children, besides an immediate improvement in the quality of their lives, about a year's worth of school absenteeism due to sickness is averted.[10] The cost of vaccines has become a fraction of what it used to be; VillageReach, a nonprofit organization, is able to deliver a basic set of vaccines for under $15 per child. This implies a death is averted for approximately every $500 it receives in donations.[11] With identifying good charities being so easy and the costs of doing good so low, even a high school student in the U.S. can prevent a few deaths just on summer earnings!

This and other organizations still have room for more funding and there are good reasons to think personal charitable giving will only increase in the future. Philanthropy is becoming more common as indicated by a rise in public pledges to donate. In the past two years, many public-pledge organizations have started, such as the Giving Pledge, where billionaires are pledging to give away large portions of their wealth; Giving What We Can, an international society of people who pledge to give 10% of their pre-tax income each year to the most effective charities; and One Day's Wages, where people pledge to give one day's worth of earnings away.

There are good reasons for the increase. Researchers are now running randomized controlled trials to discover which philanthropic interventions work best and to what extent; this has provided much-needed credibility to some charitable aid.[12] Other researchers have discovered what many have always believed: spending money on others brings more life satisfaction and happiness than spending money on oneself.[13,14] These and other factors make giving very attractive.

For over a year, I've been giving at least 10% of my income to VillageReach, the most cost-effective charity I could find.[15,16] I am just a college student working part-time but I intend to increase my giving as my income grows.

When one compares the good of buying an extra coffee and donut for oneself with the good of curing a child of parasitic worms, I think the decision to give rather than consume is simple. I hope that in less than 30 years we will be able to rejoice at the elimination of extreme world poverty. I suspect that such a triumphant accomplishment will be credited not only to the selfless people providing vaccinations and other needed remedies, but also to those who made such work possible through their charitable donations. The end of poverty cannot arrive without effective charities, and such organizations simply cannot exist without the donors that fund their philanthropic work.

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