

Facts & Figures

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RURAL POVERTY REPORT 2011

Rural Poverty in the Developing World

Despite massive progress over the past two decades in reducing poverty in some parts of the world – notably East Asia – there are still about 1.4 billion people living on less than US\$1.25 a day, and close to 1 billion people suffering from hunger. At least 70 per cent of the world's very poor people are rural, and a large proportion of the poor and hungry are children and young people. South Asia, with the greatest number of poor rural people, and sub-Saharan Africa, with the highest incidence of rural poverty, are the regions worst affected by poverty and hunger. The livelihoods of poor rural households are diverse across regions and countries, and within countries. Livelihoods are derived, to varying degrees, from smallholder farming – including livestock production and artisanal fisheries – agricultural wage labour, wage or self-employment in the rural non-farm economy and migration. While some households rely primarily on one type of activity, most seek to diversify their livelihood base as a way to reduce risk. Agriculture plays a vital role in most countries, and typically it is the poorest households that rely most on farming and agricultural labour. Non-farm income sources are increasingly important across regions, and income gains at the household level are generally associated with a shift towards more non-agricultural wages and self-employment income.

From the Rural Poverty Report 2011...

- In 2010, the population of the developing world is still more rural than urban: some 3.1 billion people, or 55 per cent of the total population, live in rural areas. However between 2020 and 2025, the total rural population will peak and then start to decline, and the developing world's urban population will overtake its rural population.
- Today, about 34 per cent of the total rural population of developing countries is classified as extremely poor, down from around 54 per cent in 1988, while the US\$2/day poverty rate in rural areas is now just above 60 per cent, down from over 80 per cent in 1988.
- About 80 per cent of rural households engage in farm activities of some sort, even if it is only part-time and to grow some of their own food requirements.
- Non-farm self employment is important in most rural areas, with typically between 20 and 40 per cent of rural households relying on it.
- It is typical for 10-20 per cent of the rural population to fall into or move out of poverty within a period of 5 to 10 years. In the most extreme cases, more than 30 per cent of a country's rural population may fall into or move out of poverty.
- In virtually all rural societies, women are the primary caregivers, but they also perform a large part (and often most) of the agricultural work and produce the bulk of the developing world's food crops.
- Children and youth comprise between 35 and 60 per cent of the developing world's population, and among poor rural populations their proportions are likely even higher.

Trends in Rural Poverty Developing World

Total population

1988 – 3,791 million
1998 – 4,544 million
2008 – 5,247 million

Rural population

1988 – 2,548 million
1998 – 2,812 million
2008 – 2,968 million

Incidence of poverty (percentage of people living on <US\$2/day)

1988 – 69.1
1998 – 61.2
2008 – 51.2

Incidence of extreme poverty (percentage of people living on <US\$1.25/day)

1988 – 45.1
1998 – 36.1
2008 – 27.0

Incidence of rural poverty (percentage of rural people living on <US\$2/day)

1988 – 83.2
1998 – 78.6
2008 – 60.9

Incidence of extreme rural poverty (percentage of rural people living on <US\$1.25/day)

1988 – 54.0
1998 – 48.4
2008 – 34.2

Number of rural people in poverty (<US\$2/day)

1988 – 2,121 million
1998 – 2,212 million
2008 – 1,801 million

Numbers of rural people in extreme poverty (<US\$1.25/day)

1988 – 1,377 million
1998 – 1,362 million
2008 – 1,010 million

Rural people as percentage of those living in extreme poverty (<US\$1.25/day)

1988 – 80.5
1998 – 82.9
2008 – 71.6



Enabling poor rural people
to overcome poverty

Sub-Saharan Africa, with the highest incidence of rural poverty anywhere in the world, is the region worst affected by poverty and hunger. It is the only region in the world where the numbers of rural people living in extreme poverty is still on the rise, although the percentage of all rural people who are extremely poor has actually fallen over the last decade. The region also has the least diversification away from agriculture – something that is normally identified with overall economic advancement.

From the Rural Poverty Report 2011...

- While overall the developing world's rural population will peak and begin to decline in 2025, in sub-Saharan Africa this will not occur until 2045.
- In sub-Saharan Africa and South Asia, more than three-quarters of the poor live in rural areas, and the proportion is barely declining, despite urbanization.
- Only 10 to 20 per cent of rural households in sub-Saharan Africa derive more than three-quarters of their income from the non-farm economy.
- Over the past two decades in sub-Saharan Africa, rural poverty declined in East Africa and increased elsewhere in the region.
- On-farm production is a particularly important income source in sub-Saharan Africa: at the national level, between 40 and 70 per cent of rural households earn more than three-quarters of their income from on-farm sources.
- Children and youth comprise 62 per cent of the total population in sub-Saharan Africa, and among poor rural populations their proportions are likely to be even higher.
- Urban food markets are seen as offering enormous potential for creating opportunities for regional intra-trade in sub-Saharan Africa.
- Africa's soils are often of low inherent fertility and they have been degrading.
- In sub-Saharan Africa, only one in five people has access to a national electricity grid.

"[Poverty] means the person is stuck. You cannot go anywhere or do anything to get out of the situation. You are not in a mood to rejoice. You can get rough with your children. You fear the future."

Abibatou Goudiaby,
female, 21 years, Senegal

"The reason for my inability to attain a harvest here is that the land is exhausted... The land doesn't produce, for loss of vigour. Even though I cultivate a wide area, I can't get a harvest due to the loss of nutrients in that soil."

Randriamahefa
male, 49 years, Madagascar

Trends in Rural Poverty Sub-Saharan Africa

Total population
1988 – 458 million
1998 – 603 million
2008 – 777 million

Rural population
1988 – 333 million
1998 – 412 million
2008 – 497 million

Incidence of poverty
(percentage of people living on
<US\$2/day)
1988 – 74.8
1998 – 77.2
2008 – 75.6

Incidence of extreme poverty
(percentage of people
living on <US\$1.25/day)
1988 – 52.3
1998 – 57.9
2008 – 52.5

Incidence of rural poverty
(percentage of rural
people living on <US\$2/day)
1988 – 75.2
1998 – 86.7
2008 – 87.2

Incidence of extreme rural poverty
(percentage of rural people living
on <US\$1.25/day)
1988 – 51.7
1998 – 64.9
2008 – 61.6

Number of rural people in poverty
(<US\$2/day)
1988 – 251 million
1998 – 357 million
2008 – 433 million

**Numbers of rural people in extreme
poverty (<US\$1.25/day)**
1988 – 172 million
1998 – 268 million
2008 – 306 million

**Rural people as percentage
of those living in extreme poverty**
(<US\$1.25/day)
1988 – 71.8
1998 – 76.6
2008 – 75.0



Despite a rapid decline in the number of rural poor in East Asia, especially China, more than 680 million people in the Asia and the Pacific region continue to live on less than US\$1.25 a day. More than 70 percent of them are in South Asia, which has the largest number of rural poor people – 500 million – of any region or sub-region. Four-fifths of all extremely poor people in South Asia live in rural areas, and poverty is predominately rural in many other countries in the region, as well. Despite high growth rates and urbanization as witnessed in recent years, poverty is likely to remain high in rural areas.

From the Rural Poverty Report 2011...

- While the rural population in the developing world is expected to peak and begin declining by 2025, in East and South East Asia the numbers of rural people are already in decline.
- East Asia (primarily China) has led the world in reducing the incidence of rural poverty (<US\$2/day), which has dropped from 98 per cent to 35 per cent in the past two decades, while extreme rural poverty (<US\$1.25/day) has dropped from over 60 per cent to about 15 per cent.
- In the larger Asian region, rural poverty has dropped from 90 percent to 60 percent since 1988. And in South East Asia (Indonesia, Malaysia, the Philippines *et al*), extreme poverty has dropped from more than 50 per cent to about 25 percent during the same period.
- Rural poverty has declined more slowly in South Asia (India, Pakistan, Iran, *et al*), where the incidence is still more than 45 per cent for extreme poverty and over 80 per cent for US\$2/day poverty. South Asia has the largest number of extremely poor rural people (500 million) of any region or sub-region.
- A study of Asian countries showed that typically between 50 and 60 percent of rural households participate in the non-farm economy, while non-farm income sources now make up a higher proportion of total rural incomes in these countries than does agriculture.
- While poverty rates have declined substantially over time among indigenous peoples in Asia, where 70 percent of the world's indigenous peoples live, a poverty gap persists in the region between indigenous and non-indigenous populations.
- Nearly 40 per cent of irrigated land in dry areas of Asia is now thought to be affected by salinization.

“Those that are landless and have no other source of income [are the poorest]. Some are labourers... They survive with great difficulty. If they get a wage one day they may be without work for three to four days. Their household runs with support from neighbours – if they are better off – and others in the village. They help out. And those that earn well in farming give wheat grain. Some people also give money. That is how the poor survive. There is a lot of poverty in this village.”

**Muhammad Naveed,
male, 22 years, Pakistan**

Trends in Rural Poverty Asia & the Pacific

Total population

1988 – 2,673 million
1998 – 3,143 million
2008 – 3,543 million

Rural population

1988 – 1,962 million
1998 – 2,129 million
2008 – 2,188 million

Incidence of poverty (percentage of people living on <US\$2/day)

1988 – 80.1
1998 – 67.9
2008 – 55.0

Incidence of extreme poverty (percentage of people living on <US\$1.25/day)

1988 – 52.5
1998 – 39.0
2008 – 26.8

Incidence of rural poverty (percentage of rural people living on <US\$2/day)

1988 – 90.5
1998 – 82.4
2008 – 60.5

Incidence of extreme rural poverty (percentage of rural people living on <US\$1.25/day)

1988 – 59.1
1998 – 49.7
2008 – 31.4

Number of rural people in poverty (<US\$2/day)

1988 – 1,775 million
1998 – 1,754 million
2008 – 1,325 million

Numbers of rural people in extreme poverty (<US\$1.25/day)

1988 – 1,160 million
1998 – 1,057 million
2008 – 687 million

Rural people as percentage of those living in extreme poverty (<US\$1.25/day)

1988 – 82.6
1998 – 86.4
2008 – 72.5



Rural poverty in Latin America and the Caribbean has declined considerably over the past two decades – both in terms of the numbers of people who live in poverty and the rate of poverty among rural populations – with many countries in the region also showing positive trends both in poverty reduction and in a better distribution of income. Yet many rural people in the region continue to live on less than US\$2 per day and have poor access to financial services, markets, training and other opportunities. There is a strong concentration of extreme poverty among landless farmers, indigenous peoples, women and children. And it remains to be seen what effect the global economic crisis will have on the region's recent successes in combining market, social and civil-society development policies to overcome longstanding social exclusion.

From the Rural Poverty Report 2011...

- While the developing world's rural population is expected to peak by 2025, it is already in decline in Latin America and the Caribbean (LAC), where the majority of poor people now live in urban rather than rural areas.
- The incidence of extreme rural poverty (<US\$1.25/day) in LAC has fallen to less than 10 per cent (11 million people), although almost a quarter of the rural population in the region live on less than US\$2/day.
- Income diversification is high in rural LAC, only 10 to 20 per cent of agricultural households earn more than three-quarters of their income from on-farm sources.
- Between 20 and 40 per cent of rural households in LAC participate in agricultural wage labour, and the same proportion participate in non-farm wage labour.
- Although LAC countries are leading the way in establishing women's land rights, women still comprise only between 11 and 27 per cent of all landowners across the region.
- In LAC, poverty rates for indigenous peoples are substantially higher than for the non-indigenous: in Paraguay, poverty is almost eight times higher among indigenous peoples, in Panama almost six times higher and in Mexico three times higher.
- The recent growth of supermarkets across much of the developing world started in the LAC region, where supermarkets now typically account for 60 per cent or more of retail food sales.
- Conservation agriculture is now widely used in LAC, where more than 50 million hectares are now under no-tillage systems in Argentina and Brazil, and in parts of Paraguay 70 per cent of the land is under no tillage.

"[Out of the 45 families here] about 10 families are poor, they don't work the land. They cannot because they are too old or handicapped or the like. Yes, we do [consider ourselves poor], because we cannot supply our needs. When we have to go to Mendoza, or to the health post if we fall sick, we cannot get money because we haven't sold enough – it's complicated..."

José del Carmen Portocarrero
Santillán, male, 82 years, Peru

Trends in Rural Poverty Latin America & the Caribbean

Total population
1988 – 421 million
1998 – 499 million
2008 – 567 million

Rural population
1988 – 129 million
1998 – 128 million
2008 – 122 million

Incidence of poverty
(percentage of people living on <US\$2/day)
1988 – 23.1
1998 – 21.3
2008 – 14.3

Incidence of extreme poverty
(percentage of people living on <US\$1.25/day)
1988 – 13.6
1998 – 10.8
2008 – 7.2

Incidence of rural poverty
(percentage of rural people living on <US\$2/day)
1988 – 42.4
1998 – 44.3
2008 – 19.9

Incidence of extreme rural poverty
(percentage of rural people living on <US\$1.25/day)
1988 – 25.7
1998 – 21.8
2008 – 8.8

Number of rural people in poverty
(<US\$2/day)
1988 – 55 million
1998 – 57 million
2008 – 24 million

Numbers of rural people in extreme poverty
(<US\$1.25/day)
1988 – 33 million
1998 – 28 million
2008 – 11 million

Rural people as percentage of those living in extreme poverty
(<US\$1.25/day)
1988 – 57.6
1998 – 51.9
2008 – 26.5



The largest percentage increases in the numbers of hungry people from 2008 to 2009 were in the Middle East and North Africa (MENA). The 14 percent average increase was due not only to the 2008 food price hikes, which added about 100 million to the global number of hungry people, but also to broader underlying problems. The crisis occurred within an environment characterized by a rising demand for food products and long-term growing food insecurity, a declining farming population, and a deteriorating base of natural resources. With a growing dependence on food imports, severe water scarcity and demographic pressures, the region is facing daunting challenges, not least the demand to develop the right policies and new approaches to rural development that would help the agricultural sector become an effective driver in the eradication of rural poverty.

From the Rural Poverty Report 2011...

- In the Middle East and North Africa, the majority of the poor now live in urban rather than rural areas.
- The incidence of rural poverty (<US\$2/day) in the region has fallen from nearly one third to under 12 per cent over the past two decades, while extreme rural poverty (<US\$1.25/day) has fallen from nearly 10 per cent to less than 4 per cent.
- Over the past several decades, farmers in the Middle East and North Africa have been rapidly intensifying their production systems: by 2002 the region had one-third of its cropland under irrigation.
- In the Middle East and North Africa, water scarcity poses a serious challenge to agricultural development and the potential of agricultural growth to reduce rural poverty – a problem that is likely to be further exacerbated by climate change.
- In some countries in the Middle East and North Africa, the percentage of economically active women operating in agriculture is larger than the percentage of men – in Algeria, for example, it is 40 per cent for women compared with 16 per cent for men
- The Middle East and North Africa is among the regions with the greatest amount of income diversification in rural areas, with many agricultural households deriving income from the non-farm economy.

“The poor worker is the poorest. If he loses his ability to work, he won’t be able to feed his children. God knows [the reason for his poverty]. Sometimes it is because there is no work, or because he depends on his physical strength. And so if he loses it, he won’t be able to work.”

Nawal Mohamed Khalil,
female, 47 years, Egypt

Trends in Rural Poverty Middle East & North Africa

Total population

1988 – 238 million
1998 – 299 million
2008 – 361 million

Rural population

1988 – 124 million
1998 – 143 million
2008 – 161 million

Incidence of poverty (percentage of people living on <US\$2/day)

1988 – 16.1
1998 – 25.3
2008 – 17.2

Incidence of extreme poverty (percentage of people living on <US\$1.25/day)

1988 – 4.6
1998 – 5.2
2008 – 4.0

Incidence of rural poverty (percentage of rural people living on <US\$2/day)

1988 – 32.7
1998 – 30.7
2008 – 11.7

Incidence of extreme rural poverty (percentage of rural people living on <US\$1.25/day)

1988 – 9.5
1998 – 6.6
2008 – 3.6

Number of rural people in poverty (<US\$2/day)

1988 – 41 million
1998 – 44 million
2008 – 19 million

Numbers of rural people in extreme poverty (<US\$1.25/day)

1988 – 12 million
1998 – 10 million
2008 – 6 million

Rural people as percentage of those living in extreme poverty (<US\$1.25/day)

1988 – 99.0
1998 – 61.3
2008 – 40.1

