# The End of Want? Scenarios and Solutions for Poverty in the 21st Century

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## Introduction

Can the end of material want be imagined—and engineered—in a century defined by breathtaking technological progress and destabilizing shocks? This book argues that it can, if we are honest about the forces that have reproduced deprivation and deliberate about the strategies that can unwind it. Poverty is not merely a shortfall of income; it is a deficit of power, opportunity, and resilience. In the decades ahead, artificial intelligence, demographic change, climate disruption, and geopolitical fragmentation will reshape how societies produce and distribute wealth. The question is whether those dynamics will deepen inequality or be bent toward inclusive prosperity.

Our approach synthesizes history, economics, and policy innovation. History reminds us that progress has never been linear: downturns, conflicts, and epidemics repeatedly reset trajectories. Economics helps clarify the incentives and institutions that determine who benefits from growth, why markets fail, and how states can correct them. Policy innovation reveals that design details—eligibility rules, delivery platforms, transparency mechanisms—often matter as much as headline commitments. By reading these traditions together, we show why some countries and cities have escaped mass poverty while others have been trapped by low productivity, weak state capacity, or exclusionary politics.



Because the future is uncertain, this book uses futures thinking to test strategies against multiple worlds rather than a single forecast. We develop contrasting scenarios—optimistic and cautionary—organized around critical uncertainties: the pace and diffusion of technological change; the severity of climate risks; the strength of social cohesion; and the degree of global cooperation in trade, finance, and knowledge. Instead of predicting which future will arrive, we ask which portfolios of policies are robust across them. Backcasting from desired outcomes in 2030, 2040, and 2050, we translate long-term aspirations into near-term decisions.

Solutions are not silver bullets but combinations that compound. We examine social protection floors that guarantee basic security; education and health systems that build human capabilities; industrial policies that raise productivity and create good jobs; digital public infrastructure that lowers transaction costs and expands inclusion; and care systems that recognize and redistribute unpaid labor. We explore levers often neglected in poverty debates—competition policy, land governance, city planning, remittance costs, and illicit financial flows—because structural inefficiencies and power imbalances quietly tax the poor.

Measurement and accountability are central. We move beyond income thresholds to multidimensional lenses that track deprivations in nutrition, learning, health, housing, assets, safety, time, and agency. We discuss how administrative data, household surveys, and privacy-preserving digital tools can be combined to produce timely, trustworthy indicators. The goal is a practical “inclusive prosperity dashboard” that decision-makers and communities can use to set targets, monitor progress, and course-correct. What gets measured can mislead, but what goes unmeasured is often ignored; this book offers principles to measure what matters without crowding out dignity and voice.

This is a field guide for policymakers, philanthropists, and activists who must act under uncertainty and pressure. We emphasize strategy over slogans: how to sequence reforms; how to build coalitions; how to finance and govern programs at scale; and how to adapt when conditions change. Throughout, we highlight strategic priorities that can be launched in the next 100 days, consolidated over 1,000 days, and sustained over a decade—linking urgent steps to long-term pathways. Each chapter concludes with decision checklists and metrics that help leaders focus on the highest-value moves in their context.

The book proceeds from foundations to levers to futures. Early chapters trace why poverty persists and how we should measure it. The middle chapters examine the engines of inclusion—jobs, services, infrastructure, finance, taxation, and governance—alongside cross-cutting challenges like gender inequality, urbanization, and climate resilience. Later chapters assess “big bets” such as universal basic income, the design of crisis-ready systems, and the role of philanthropy and impact investing. We culminate in three scenarios for 2050 and a set of backcast roadmaps to 2030 and 2040, with milestones that make ambition operational.

“The end of want” is not the end of aspiration. It is a commitment to ensure that no one is denied the basics of a dignified life and that everyone has a fair chance to pursue more. By assembling lessons from the past, tools from economics, and innovations emerging today, we can choose a future where prosperity is both growing and widely shared. The task demands imagination anchored in evidence, and courage paired with humility. The chapters that follow aim to equip you with both.

# CHAPTER ONE: Why Poverty Persists: A Historical Arc

Poverty has always been with us, but not in the same way. For most of human history, scarcity was the default condition. The struggle against hunger, cold, and disease was constant and intimate, a daily wager against nature's indifference. Incomes barely budged for centuries, and when they did, they rose for elites long before they reached the masses. Only in the last few centuries—and especially in the last eighty years—have we seen broad-based escapes from material deprivation. That story of progress is real, but so are its pauses, reversals, and uneven geography. Understanding why poverty persists means tracing the long arc of wealth creation and exclusion, and recognizing the forces that repeatedly push and pull people into and out of destitution.

For millennia before the Industrial Revolution, the world's economic engine produced little net growth. Populations rose and fell with harvests and plagues, and productivity improvements were slow. A farmer in 1300 would have found a farmer in 100 BCE remarkably familiar: similar tools, similar yields, similar risks. Wealth existed, but it was concentrated in land and coercive institutions that extracted rents from the many for the benefit of the few. Most people lived close to subsistence, and episodes of scarcity were often the result of weather, war, or disease rather than any structural change in productive capacity. This was not because humans lacked ingenuity; it was because the rules of the game suppressed broad innovation and entrepreneurship.

The medieval and early modern worlds were threaded with inequality that was both vertical and horizontal. Lords and peasants, guild masters and journeymen, merchants and sailors—each occupied a rung on a ladder that was difficult to climb. Slavery and serfdom created vast fortunes for a minority while stripping rights and assets from millions. In the colonies, the extraction of silver, sugar, and later cotton under violent coercion built metropolitan wealth and devastated local populations. These institutions were not accidental; they were designed by powerful actors to preserve status and control. For the poor, deprivation was often not simply bad luck but a consequence of rules that prevented them from owning land, accessing markets, or organizing collectively.

Agricultural innovation gradually lifted yields, but the most dramatic shift came with the Industrial Revolution. Starting in Britain in the late eighteenth century and spreading unevenly across Europe and North America, mechanization, factories, and railways transformed production. Productivity soared, but the gains were deeply unequal. Workers endured long hours in dangerous conditions, children were employed in mills, and urban slums spread as people left the countryside for jobs that paid more but offered little security. Economists of the era called this the "Engels' Pause," a period when output per worker rose faster than real wages, concentrating profits and capital in the hands of owners. Poverty did not disappear; it took on an industrial character.

The twentieth century promised a new set of answers. The rise of labor movements, public education, and social insurance in wealthy democracies created the modern welfare state. Between 1880 and 1930, countries like Germany, Sweden, and the United Kingdom introduced pensions, health coverage, and unemployment benefits. After World War II, the United States built the GI Bill and expanded public investment, while many European nations entrenched social rights. These systems did not eliminate poverty, but they transformed its profile by providing basic security and expanding opportunity. The gains were largely confined to high-income countries, and within them, inequalities persisted, especially along racial and gender lines.

Outside the industrial core, the first half of the twentieth century brought turmoil. Many countries in Asia, Africa, and Latin America were organized around extractive colonial institutions, and independence movements reshaped political boundaries without always reshaping economic structures. Land reform, universal education, and state-led industrialization were tried in various combinations, with mixed results. Some nations, like South Korea and Taiwan, combined land redistribution, export orientation, and heavy investment in education to achieve rapid poverty reduction. Others experienced growth that was slow, volatile, or captured by elites. The institutions that governed property, credit, and labor often favored incumbents, constraining the economic mobility of the poor.



Technology promised acceleration. Electricity, sanitation, vaccines, and the Green Revolution dramatically reduced disease and increased food supplies in the mid-twentieth century. Life expectancy rose globally, and the toll of infectious diseases declined. Yet these gains were uneven. Droughts, conflicts, and weak infrastructure limited the reach of new seeds and medicines. Progress depended not only on inventions but on the systems that delivered them—extension services, irrigation, and fair distribution. The benefits of technological change rarely flowed to those without political voice or market power. In many places, productivity rose, but farmers still struggled to earn a living if input prices rose faster than crop prices.

The late twentieth century saw both expansion and shocks. From 1980 to 2019, the world experienced strong global growth, and hundreds of millions exited extreme poverty, driven largely by China and India's economic transformations. China's reforms opened markets and attracted manufacturing, while India liberalized sectors like information technology. Latin America experimented with conditional cash transfers, and African nations began to see sustained growth after the turbulent 1970s and 1980s. Yet growth was geographically concentrated and sectorally uneven. Rural areas lagged behind cities, and workers in informal sectors saw fewer benefits. Structural adjustment programs in the 1980s and 1990s, while stabilizing some economies, often led to cuts in social spending, undermining protections for the poor.

Macroeconomic shocks repeatedly exposed the fragility of progress. The 1997 Asian Financial Crisis halted growth in East Asia and led to sharp rises in unemployment and poverty. The 2008 global financial crisis slowed progress across the world, with job losses and wage stagnation hitting low-income households hardest. The COVID-19 pandemic was the most severe shock in recent memory, erasing years of poverty reduction in many regions and disrupting education and health systems. Each crisis underscored how the poorest are disproportionately affected by systemic failures—lacking savings, access to credit, and social safety nets—while wealthier households weather the storm with buffers and insurance.

At the heart of poverty's persistence are institutions—rules, norms, and organizations—that determine who gets access to assets, opportunities, and protections. Inclusive institutions broaden participation and enforce property rights, encouraging investment and innovation. Extractive institutions concentrate power and wealth, blocking the poor from owning land, starting businesses, or organizing politically. The distinction is not a matter of abstract theory; it explains why some countries escape poverty while others remain stuck. Institutions shape economic incentives, and they also shape expectations: when people believe the system is rigged, they disengage, and the cycle of exclusion deepens.



Markets are powerful engines of growth, but they are not self-correcting. Failures of information, externalities, and market power can lead to underinvestment in education, health, and infrastructure. Credit markets often exclude the poor due to lack of collateral, while insurance markets fail to cover climate and health risks. Monopolies and cartels raise prices and suppress wages, hitting low-income households hardest. In practice, functioning markets require public goods: transparent legal systems, macroeconomic stability, physical and digital infrastructure, and basic regulation. Where states cannot provide these, markets do not deliver broad prosperity, and poverty persists even amid aggregate growth.

Energy transitions are a classic example of the interplay between technology, institutions, and poverty. The shift from biomass to coal and then to oil unlocked massive productivity gains, but it also created pollution, disease, and new inequalities. Today, the transition to low-carbon energy has the potential to improve health, create jobs, and reduce climate risks. However, if it is managed poorly, it could leave workers in fossil fuel sectors stranded, raise energy costs for low-income households, and deepen regional disparities. Inclusive energy transitions require planning, social protection, and investments in skills and infrastructure so that communities are not simply asked to bear the costs of global decarbonization.

The last decade highlighted another dimension: the relationship between growth and democracy. Many countries achieved strong GDP growth without deepening political inclusion, leading to progress in incomes but stagnation in voice. Others experienced democratic openings but struggled with corruption, weak state capacity, and poor service delivery. Where governance is ineffective or captured, the poor are less likely to receive benefits from growth, and more likely to be victimized by predation and exclusion. Poverty is not just a lack of money; it is a lack of power, and that power is determined by political and administrative systems that can either serve citizens or be captured by elites.

The geographic and demographic realities of poverty are shifting. While extreme poverty has become more concentrated in Sub-Saharan Africa, it remains widespread in fragile states and rural areas. Urbanization is accelerating, but it does not automatically mean prosperity; many cities house large informal settlements where residents lack basic services and tenure security. Demographic patterns vary: in some regions, youth populations are large and growing, offering a potential demographic dividend; in others, aging populations strain social systems. Migration connects places and people, but restrictive policies and high transaction costs limit its poverty-reducing potential. Geography still matters, but it is not destiny if institutions and infrastructure are conducive.

Technology is simultaneously a solution and a source of new divides. Mobile phones and digital platforms have lowered transaction costs, expanded access to information, and enabled new forms of work and entrepreneurship. Yet the benefits are unevenly distributed. The poor often lack access to affordable data, reliable devices, and digital skills. Algorithms and platforms can create new monopolies and exploitative labor practices. Data governance matters: without safeguards, surveillance and exclusion can be baked into digital systems. Technology can accelerate poverty reduction, but it can also entrench inequality if access, skills, and regulation lag behind innovation.

Climate change adds a layer of risk that disproportionately affects the poorest, who have the least capacity to adapt. Smallholder farmers face droughts and floods; coastal communities confront sea-level rise; urban slums experience deadly heat and poor air quality. Climate shocks can wipe out years of progress in a single season. Building resilience requires both local adaptation—such as climate-smart agriculture and flood protection—and global cooperation to reduce emissions and finance adaptation in vulnerable countries. The costs of inaction are high, and the poor will pay disproportionately if transitions are not managed with equity in mind.

Health systems are a critical buffer against shocks and a foundation for human capital. Investments in primary care, vaccination, and sanitation have dramatically reduced mortality and improved productivity. Yet many low-income countries still struggle with underfunded health systems, brain drain of skilled workers, and weak supply chains.

The COVID-19 pandemic exposed these gaps, as well as the politics of global health cooperation. Pandemic preparedness, surveillance, and equitable access to medical innovations are essential to prevent future crises from reversing poverty gains. Health is both a prerequisite for economic participation and a core dimension of well-being.

Education remains the single most reliable pathway to improved life chances. School enrollment has expanded globally, but learning outcomes are deeply uneven. In many low-income settings, children spend years in school without mastering basic literacy and numeracy, a phenomenon often called "schooling without learning." Effective education systems require not just access but quality—trained teachers, safe schools, curricula that match labor market needs, and early childhood programs that address foundational skills. Girls' education in particular has high returns for health, income, and empowerment, but it is often constrained by social norms and household burdens. Education is a long-term investment with compounding benefits.

Social protection has reemerged as a core policy tool for poverty reduction. Cash transfers, public works programs, and conditional benefits provide immediate relief and can improve long-term outcomes by enabling investment in assets and skills. The evidence from Latin America's conditional cash transfers, Africa's safety nets, and Asia's targeted programs shows that well-designed transfers do not discourage work and can improve nutrition, schooling, and health utilization. The challenge is coverage, financing, and targeting in contexts with large informal sectors and weak identification systems. Social protection floors offer a buffer against shocks and a platform for inclusive growth, but they require sustainable funding and robust delivery systems.

Jobs are central. Poverty declines most reliably when people have access to productive, decent work. In many countries, the bulk of employment is informal, with low pay, no benefits, and insecure conditions. Structural transformation—the movement of workers from low-productivity agriculture to higher-productivity industry and services—has been slow in parts of Africa and South Asia. The rise of the gig economy and digital platforms creates new opportunities but also raises concerns about worker protections, algorithmic management, and income volatility. Policies that raise firm productivity, improve matching in labor markets, and enforce labor standards are essential for translating growth into poverty reduction.

Finance can be an engine of inclusion or a trap. Microcredit expanded access to small loans but showed limited impact on poverty when not paired with savings, insurance, and business support. Digital financial services have dramatically increased account ownership and lowered transaction costs, but they also introduce new risks—over-indebtedness, data privacy breaches, and predatory lending. Consumer protection and financial literacy are vital complements to inclusion. For small firms, access to credit and equity is key to job creation. Blended finance and guarantees can mobilize private capital for development objectives, but they must be structured carefully to avoid moral hazard and ensure additionality.

Taxation and public finance determine what societies can afford to invest in poverty reduction. Many low-income countries struggle to raise sufficient revenue, relying on regressive taxes like VAT while struggling to tax wealth and multinational profits. Illicit financial flows—tax evasion, money laundering, and trade misinvoicing—drain resources that could fund schools and clinics. Domestic resource mobilization is not just a technical issue; it is about political will and administrative capacity. Progressive, well-enforced tax systems can finance inclusive growth while reducing inequality. Transparency and fair taxation of corporations and high-net-worth individuals are essential to sustain the social contract.

Global rules shape national possibilities. Trade, debt, and financial regulations determine how countries integrate into the world economy and how resilient they are to external shocks. Trade openness can be a ladder out of poverty, but it must be paired with investment in skills and infrastructure to avoid leaving workers behind. Debt sustainability is a constant concern for low-income countries, where borrowing costs and currency risks are high. Global financial architecture—rules on lending, restructuring, and capital flows—must support development rather than exacerbate volatility. Cooperation on knowledge, technology, and climate finance is equally important to ensure that poor countries are not left to bear the costs of global challenges.

Philanthropy and impact investing have expanded their roles, but their impact depends on alignment with public systems and community priorities. Philanthropy can take risks, fund experimentation, and fill gaps, but it is not a substitute for public finance and state capacity. Impact investing aims for both financial and social returns, but measurement challenges and market constraints limit its scale. Blended finance—combining public, private, and philanthropic capital—can catalyze investments that markets alone won't make. The key is governance: ensuring that funding supports local priorities, builds institutions, and avoids creating parallel systems that undermine the state.



Social movements and civic participation shape both the politics and practice of poverty reduction. When marginalized communities organize, they can change policies, demand accountability, and secure rights. The civil rights movement in the United States, the landless workers' movement in Brazil, and women's rights movements globally have translated voice into tangible gains. Participation is not a feel-good add-on; it improves program design, relevance, and sustainability. Governments and funders that invest in community engagement and protect civic space tend to achieve better outcomes. Exclusion from decision-making is both a cause and a consequence of poverty.

The backdrop to all this is a rapidly changing environment of risk. Disasters are becoming more frequent and severe, and pandemics are a recurrent possibility rather than a one-off event. The world is also witnessing geopolitical fragmentation, which complicates global cooperation on trade, finance, and climate. Yet there are opportunities. New technologies—AI, remote work, low-cost renewables—could expand economic possibilities if harnessed inclusively. The history of poverty is a story of progress punctuated by setbacks; the future will depend on whether societies learn from that history and build systems that are resilient, adaptive, and fair.

The arc from want to opportunity is not a straight line, but it is navigable. Poverty persists where institutions exclude, markets fail, and shocks hit hardest. It recedes where states can deliver, where rules are fair, and where people have the tools to participate. Understanding this history clarifies where to focus: on building inclusive institutions, investing in human capabilities, creating productive jobs, and managing risks with foresight. The chapters ahead will explore these levers in detail, offering practical strategies for different contexts. The goal is not just to reduce income poverty but to build societies where dignity and opportunity are the norm, not the exception.