



Global Majority E-Journal



Volume 13, Number 1
(June 2022)



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About the *Global Majority E-Journal*

The *Global Majority E-Journal* is published twice a year and freely available online at: <http://www.american.edu/cas/economics/ejournal/>. The journal publishes articles that discuss critical issues for the lives of the global majority. The global majority is defined as the more than 80 percent of the world's population living in low- and middle-income countries. The topics discussed reflect issues that characterize, determine, or influence the lives of the global majority: poverty, inequality, population growth and gender issues, excluded and invisible children, unsustainable urbanization, climate change, lack of access to safe water and sanitation, and unethical trade. The articles are based on research papers written by American University (AU) undergraduate students as one of many course requirements for *Econ-110—The Global Majority*, which is an elective course within the New AU Core.

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Cover Design

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ISSN 2157-1252

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Inequality on the Rise: A Study of Inequality in Mexico and Brazil

Gianna Amendolara

Abstract

Mexico and Brazil have gained success economically in the past 30 years. However, inequality remains high in both Mexico and Brazil and income inequality has even increased recently in Brazil. This article analyzes inequality in Mexico and Brazil, analyzing income inequality, class inequality, educational inequality, and racial inequality. In Brazil and Mexico, most of the wealth is controlled by a small percentage of the population while the poor majority have limited access to equal opportunities and necessities, causing further problems in each country. Both countries have attempted to implement social assistance programs which have had some success but have not made significant progress in recent years. This article analyzes the causes of inequality in both Mexico and Brazil through socioeconomic policies and how the two countries have tried to successfully reduce inequality but have mostly failed to do so significantly in recent years.

I. Introduction

Inequality has been a persistent issue throughout the world. Despite economic growth in many countries, inequality and poverty remain to be an issue. According to the United Nations (2020), total global inequality (inequality across all individuals in the world) declined since the 1990s, yet income inequality within countries has risen. As the wealthy top percent of the population increases their wealth, the poor bottom percent remain in poverty without access to equal opportunities, hindering their capabilities and freedoms.¹

Inequality can be measured in many ways, not solely based on wealth gaps. Race, gender, and class have played intimate roles in the access to opportunity, especially in Latin America. In some cases, inequality has increased despite economic growth. Countries have attempted to mitigate these issues in various ways and have seen mixed results. This article examines inequality in Mexico and Brazil. Various issues can be cross-examined within the topic of inequality due to their proximity, such as poverty. Furthermore, this article will study vertical inequality, which measures inequality across individuals within a group, such as individuals in Mexico and Brazil,

¹ Wells (undated).

and horizontal inequality, which measures inequality between different groups, such as inequality between Mexico and Brazil.

This article is structured into six sections: introduction, literature review, socioeconomic background, analysis of inequality, ethical analysis of inequality, and conclusion. The literature review summarizes some of the recent literature on inequality within Mexico and Brazil. The socioeconomic background reviews the data on GDP per capita, life expectancy, and the literacy rate in each country and across the two countries. The analysis of facts analyzes various measures of inequality, especially income inequality, inequality in educational attainment, and the impact of rapid urbanization and rural migration. The ethical analysis first reviews some answers to the question if inequality is ethical and then focuses on key programs implemented in Mexico and Brazil to address poverty and inequality.

II. Literature Review

There is a substantial literature regarding inequality and poverty in Latin America, but especially for Mexico and Brazil, the two largest economies in the region, as Mexico and Brazil have some of the highest rates of inequality in the region. Lustig, Lopez-Calva and Ortiz-Juarez (2013) and Carrera Troyano and Dominguez Martin (2016) analyze both Mexico and Brazil. Bailey, Loveman and Muniz (2013), Pereira (2016), and Signor, Kim and Tebaldi (2019) focus on Brazil, while Gutierrez et al. (2020) and Monroy-Gómez-Franco, Vélez-Grajales and Yalonetzky (2021) focus on Mexico.

- Lustig, Lopez-Calva and Ortiz-Juarez (2013) analyze both Mexico and Brazil during 2000 to 2010 to explain the decline in inequality during this period. They conclude that a major factor in this was more progressive government transfers. Another factor that had a substantial impact was a fall in the premium to skilled labor. Additionally, the expansion of basic education seemed to have reduced the earnings gap.
- Carrera Troyano and Dominguez Martin (2016) contrast the efficacy of poverty reduction programs in Mexico and Brazil while also highlighting economic factors that play a role each country's growth. Furthermore, they state that the rise of China has shown contrasting effects on Brazil's and Mexico's economies. China's growth had a positive impact on Brazil's economy but has not alleviated inequality and poverty. Mexico, however, has seen an increase in competition with China that is not considered to have been beneficial for Mexico. Mexico is also more reliant on trade with the United States.
- Bailey, Loveman and Muniz (2013) discuss the relevance of racial inequality in Brazil and its impact on income disparities. They first show how Brazil's racial composition can shift from majority white to majority black depending on what kind of classification scheme is used. Using quintile regression analysis, they find that racial disparities are the most severe at the upper end of the income distribution. They also conclude that racial disparities in earnings are larger when race is defined by interviewers rather than self-identified. Finally, they find that those classified as black suffer a greater wage penalty than those classified as brown.
- Pereira (2016) focuses on ethno-racial poverty and its effect on income disparities within Brazil. Similar to Bailey, Loveman and Muniz (2013), Pereira concludes that Brazil's history with the slave trade, which ended relatively early, has played a significant role in

current politics and has prevented many Afro-Brazilians from accessing the same resources as white Brazilians. Indigenous populations have also suffered from inequality in Brazil.

- Signor, Kim and Tebaldi (2019) examine the persistence of income inequality in Brazil. They attribute the persistence of income inequality to high disparities in educational attainment. Furthermore, they find that regional economic and social structures are to be blamed for supporting an economic model that perpetuates regional inequalities in Brazil. Despite the persistence in income inequality, Signor, Kim and Tebaldi (2019) stress that some government policies (including income transfer programs), the decline in labor income ratios between different ethnic groups, and the increase of the share of formal jobs in the labor market have contributed to reduce income inequality.
- Gutierrez et al. (2020) focus on inequality in Mexico, specifically highlighting the importance of health disparities within the country and its role in Mexico's progress towards the Sustainable Development Goals (SDGs). Health is a key aspect in poverty and inequality since poorer areas have less access to health care services and safe and sanitary living conditions, especially those living in rural communities or slums. The study also attributes low levels of literacy to negative health outcomes. This has hindered Mexico's path towards reaching the SDGs and the reduction of inequality and poverty in the country.
- Monroy-Gómez-Franco, Vélez-Grajales and Yalonetzky (2021) investigate racial inequality in Mexico in terms of inequality of opportunity and wealth. They conclude that although race and skin-tone play a role in social standings in Mexico, the impact is relatively minor. However, they do conclude that the social racial hierarchy established during Mexico's colonial period can explain economic inequality within the country, with indigenous populations making a larger percentage of the rural poor in comparison to white populations.

III. Socio-economic Background

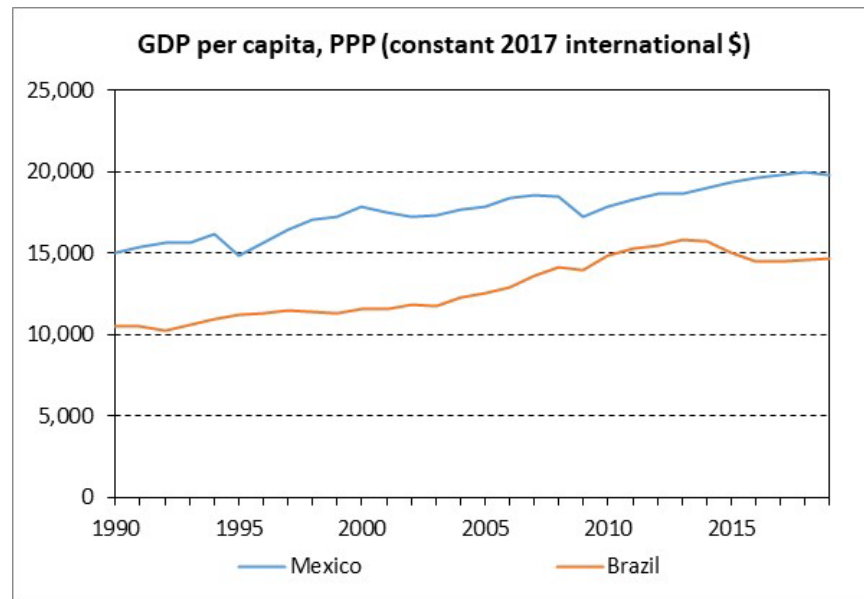
Mexico and Brazil both gained independence from Spain in the 1800s, Mexico in 1810 and Brazil in 1822. Figure 1 displays purchasing power parity (PPP)-adjusted GDP per capita in constant international dollars for Mexico and Brazil from 1990 to 2018. During this period, both countries' GDP per capita experienced mostly periods of growth, though there also were a few declines. Mexico's GDP per capita declined in 1995 (Mexican financial crisis), in 2001 and 2002 (recession in the world economy), in 2008 and 2009 (the Great Recession), and finally also in 2019 due to COVID-19. Brazil's GDP per capita declined in 1991 and 1992, in 1998 and 1999 (Brazilian financial crisis),² in 2003, in 2009 (the Great Recession), and in 2014, 2015, and 2016.

Overall, Mexico's PPP-adjusted GDP per capita increased by \$4,775, from \$15,021 in 1990 to \$19,796 in 2019, while Brazil's PPP-adjusted GDP per capita increased by \$4,134, from \$10,518 to \$14,652 during the same period. Hence, while Mexico's GDP per capita increased slightly more in absolute terms, Brazil's increased more in relative terms. Overall, Mexico's GDP per capita has been slightly more volatile than Brazil's GDP per capita. Both, the higher level and the higher volatility of Mexico's GDP per capita can also be attributed to Mexico's close proximity and close economic ties, especially trade treaties, with the United States.

² Gruben and Kiser (1999).

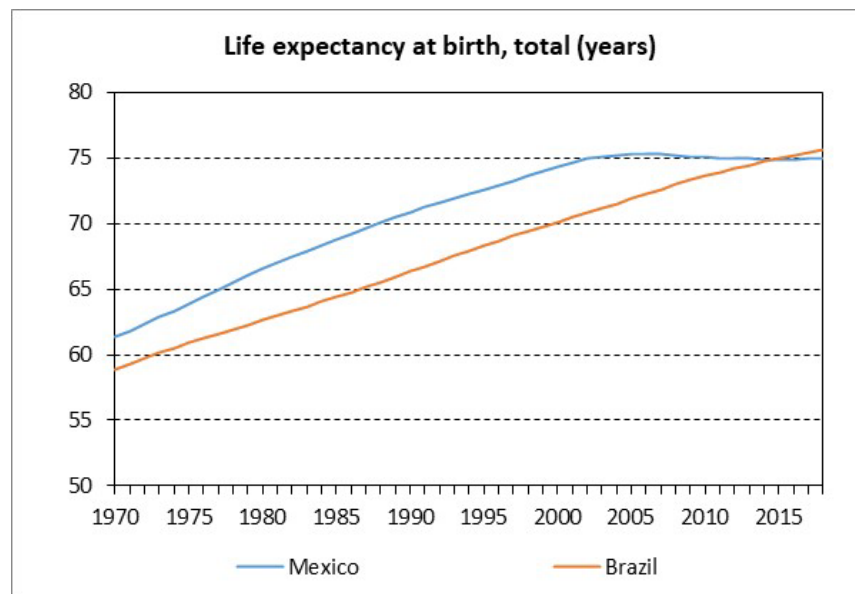
As shown in Figure 2, Mexico and Brazil have similar rates of life expectancy. In 1970, Mexico's life expectancy at birth was 61.4 years, while Brazil's was 58.9 years. In 2018, Mexico's life expectancy was 75.0 years, while Brazil's was 75.7 years, a difference of less than a year. Life expectancy in Mexico peaked in 2005, when it reached 75.3 years, and has slightly declined since. Brazil's life expectancy, however, has steadily increased and continues to do so, overtaking Mexico in 2018.

Figure 1: GDP per capita, PPP (constant 2017 international \$), 1990-2018



Source: Created by author based on World Bank (2021).

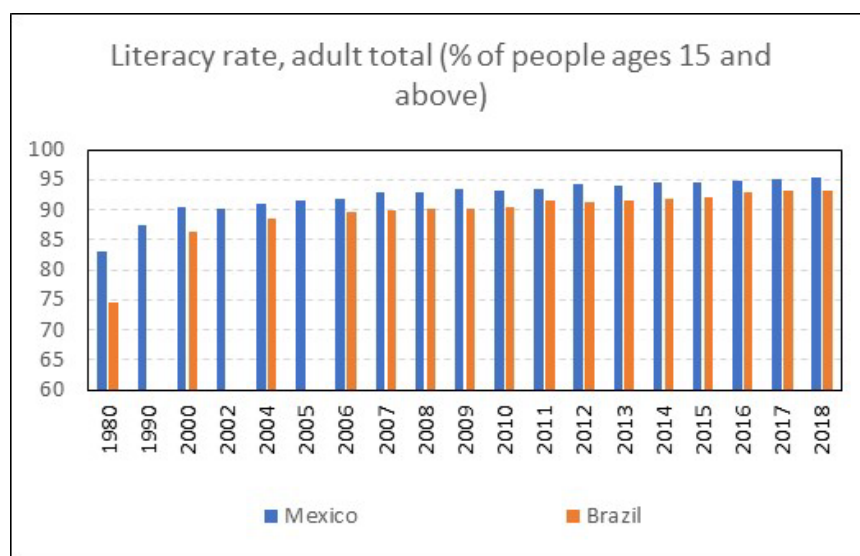
Figure 2: Life Expectancy (in years) in Mexico and Brazil, 1970-2018



Source: Created by author based on World Bank (2021).

As shown in Figure 3, both countries have experienced an increase in the literacy rate since 1980, more significantly in Brazil than Mexico. The literacy rate in Brazil jumped from 74.6 percent in 1980 to 93.2 percent in 2018, an 18.6 percentage points increase. Mexico saw an increase from 83.0 percent in 1980 to 95.4 percent in 2018, a 12.4 percentage points increase. Like increases in GDP per capita, these increases in literacy rate are expected to reduce poverty, since the lack of access to education limits a person's opportunities in society. Their impact on inequality, which will be examined in more details in the next section, is however more complicated as these improvements in literacy rates say little about the distribution of other gains in education.

Figure 3: Adult Literacy Rate (percent of people ages 15 and above)



Source: Created by author based on World Bank (2021).

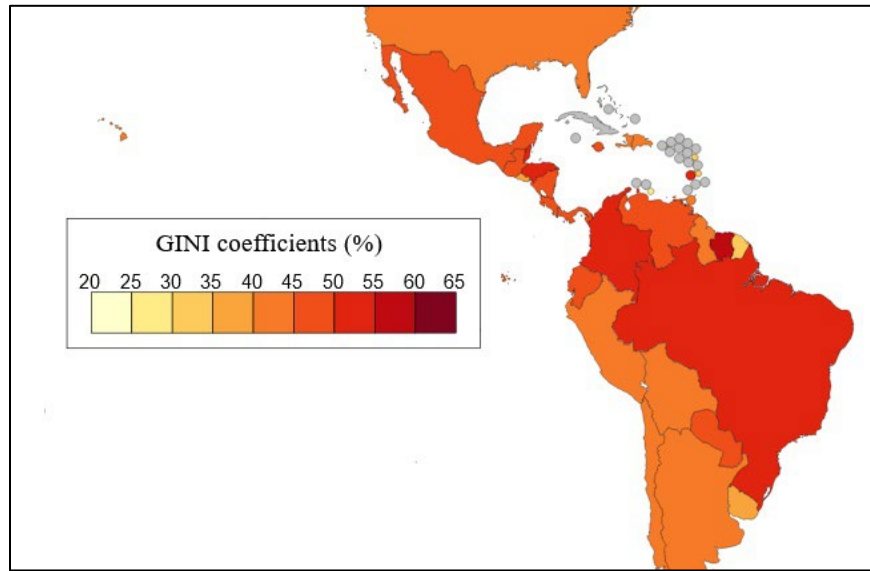
When comparing the two countries across these three indicators, Mexico has a lead over Brazil in both GDP per capita and the literacy rate. However, Brazil seems to be catching up with Mexico in terms of literacy and Brazil has recently surpassed Mexico in life expectancy. Due to Mexico's higher GDP per capita, many consider it a more developed country. However, Brazil's higher life expectancy and catching up in terms of literacy seems to indicate that Brazil is doing better than Mexico in terms of social or human development.

IV. Analysis of Inequality in Mexico and Brazil

IV.1. Gini Coefficient and Income Shares

Income inequality remains to be a critical issue, especially in Latin America. The Gini coefficient is a popular measure of inequality. The higher the Gini coefficient, the higher is inequality. Figure 4 provides the level of inequality measured by the Gini in Latin America based on World Bank data from 1992 to 2018. The darker shades of red correlate with a higher level of inequality. Brazil has the third darkest red (with a Gini between 50 and 55 percent), while Mexico has the fourth darkest red (with a Gini between 45 and 50 percent).

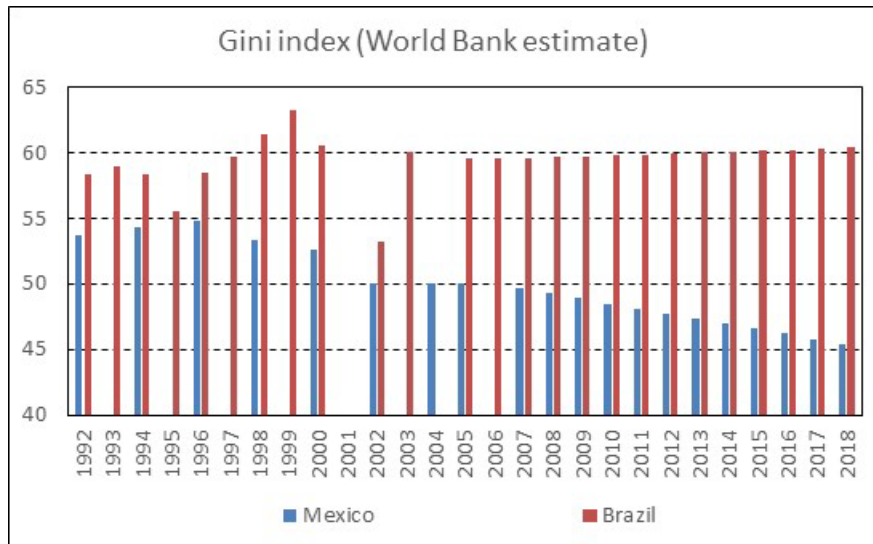
Figure 4: Gini Index, 1992-2018 (partial map for Latin America)



Source: https://en.wikipedia.org/wiki/List_of_countries_by_income_equality.

Mexico had experienced a slight reduction in inequality from 1996 to 2018, as is reflected in the declining Gini from 54.8 percent in 1996 to 45.4 percent in 2018, shown in Figure 5. Similarly, inequality in Brazil has followed a negative trend but has experienced fluctuations, specifically in 1999 when the Gini coefficient increased to 63.3 percent, then decreased to 53.2 percent in 2002, then shot back up to 60.1 percent in 2003. Since 2003, it has remained relatively stagnant, revealing the persistence of inequality within Brazil.

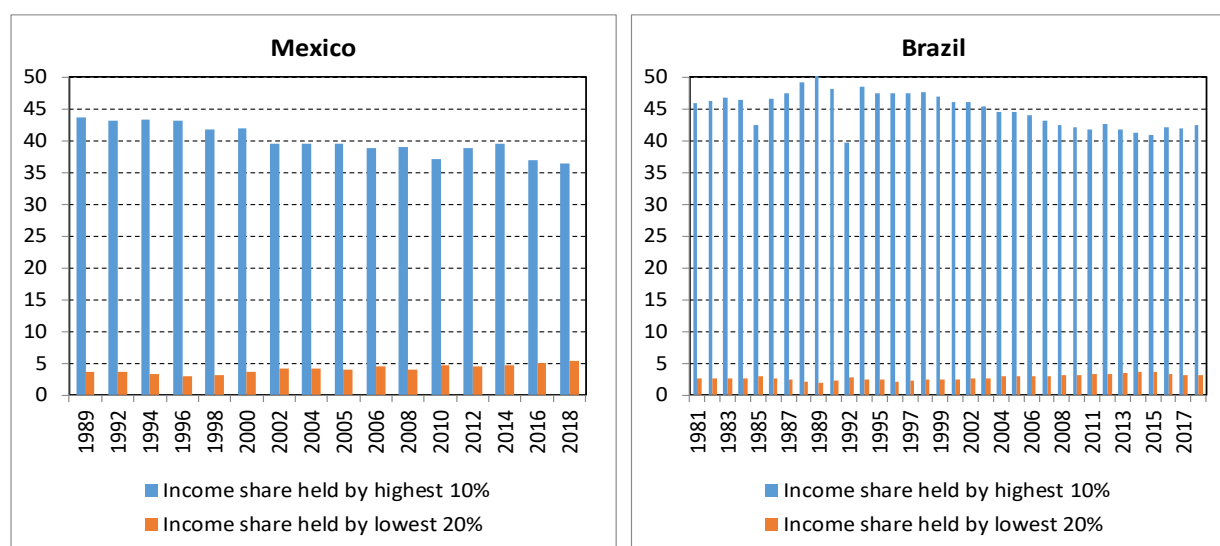
Figure 5: Gini Index for Mexico and Brazil, 1992-2018



Source: Created by author based on World Bank (2021).

Figures 6 and 7 show the evolution of income shares for the richest 10 percent and the poorest 20 percent of the population for all available years, respectively for Mexico and Brazil. The data show that the income share of Mexico's bottom 20 percent has fluctuated between a minimum of 2.9 percent and a maximum of 5.4 percent of total income. For Brazil, the income share of the poorest 20 percent has fluctuated between a minimum of 2.0 percent and a maximum of 3.6 percent of total income. On the other hand, the income share for the richest 10 percent has gradually decreased from 43.6 percent of total income in 1989 to 36.4 percent of total income in 2018 in Mexico, while it fluctuated between a minimum of 40.9 percent and a maximum of 51.2 percent of total income in Brazil. These income shares are broadly consistent with the data provided for the Gini in the previous Figure 5.

Figures 6 and 7: Income Share Held by the Highest 10 Percent and the Lowest 20 Percent of the Population in Mexico and Brazil, all available years

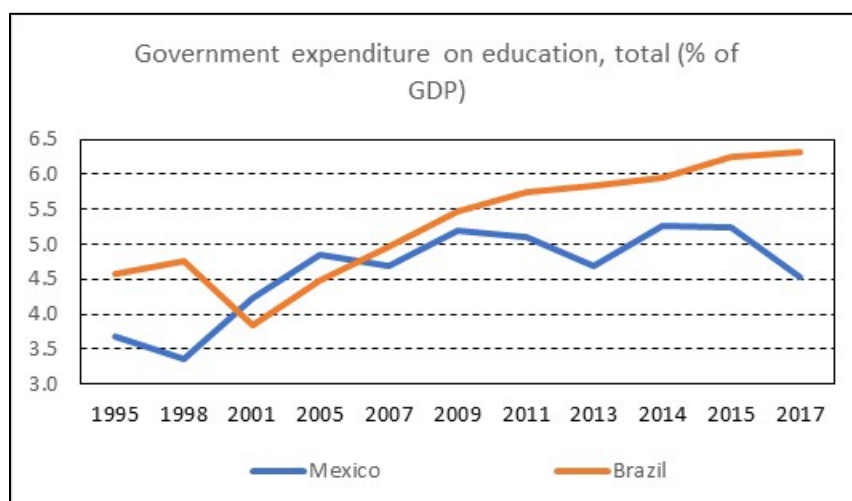


Source: Created by author based on World Bank (2021).

IV.2. Education Spending and Educational Attainment

According to Lustig, Lopez-Calva and Ortiz-Juarez (2013), an increase in education spending from the late 1990s through the mid-2000s made a positive impact on the reduction of inequality and poverty in Mexico and Brazil. Figure 8 shows that government expenditure on education (as a percentage of each country's GDP) increased from 1998 to 2014 in Mexico (despite some volatility) and from 2001 to 2017 in Brazil. In 1998, Mexico's education expenditure was only 3.4 percent of its GDP. However, it increased up to 4.8 percent in 2005, then fluctuated for the next decade. It decreased substantially from 2015 to 2017, when it dropped by 0.7 percentage points to 4.5 percent, the lowest it has been since 2001. In Brazil, there was a reduction to education spending by the government from 1998 to 2001. However, it has increased since 2001 from 3.8 percent to 6.3 percent of GDP in 2017. It is necessary to mention that although government expenditure on education is important when assessing inequality, it is not representative of inequality and poverty within a country without knowing, for example, who ultimately benefitted from increased education expenditures.

Figure 8: Government Expenditure on Education (percent of GDP), 1995-2017

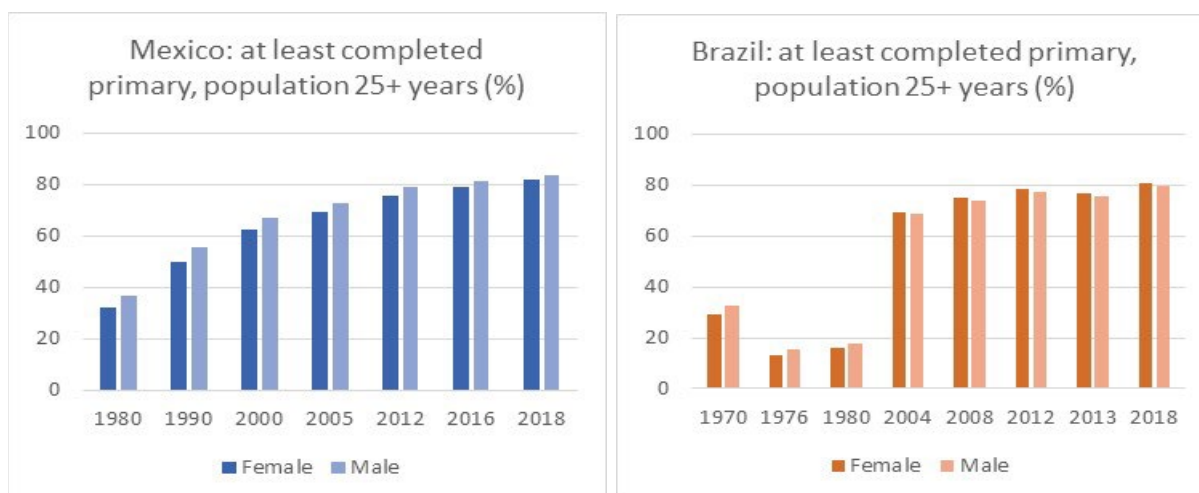


Source: Created by author based on World Bank (2021).

Figures 9 and 10 show that despite progress over time, there are still about 20 percent of the population in both countries, who did not complete their primary education in 2018. And the completion rate for completing at least post-secondary education (shown in Figures 11 and 12, respectively for Mexico and Brazil) is just around 15 percent in both countries. These low rates of tertiary education can explain the two countries' high rates of income inequality.

Figures 9 to 12 also provide details on the educational attainment by gender. Figure 9 shows that the percentage of Mexican men completing their primary education is higher than for Mexico's women, though the gap has been declining over time. Figure 9 illustrates that Brazil also saw more men completing their primary education in 1970, 1976 and 1980, but by at least 2004, the inverse is the case (there is unfortunately no data for Brazil for this indicator from 1981 to 2003).

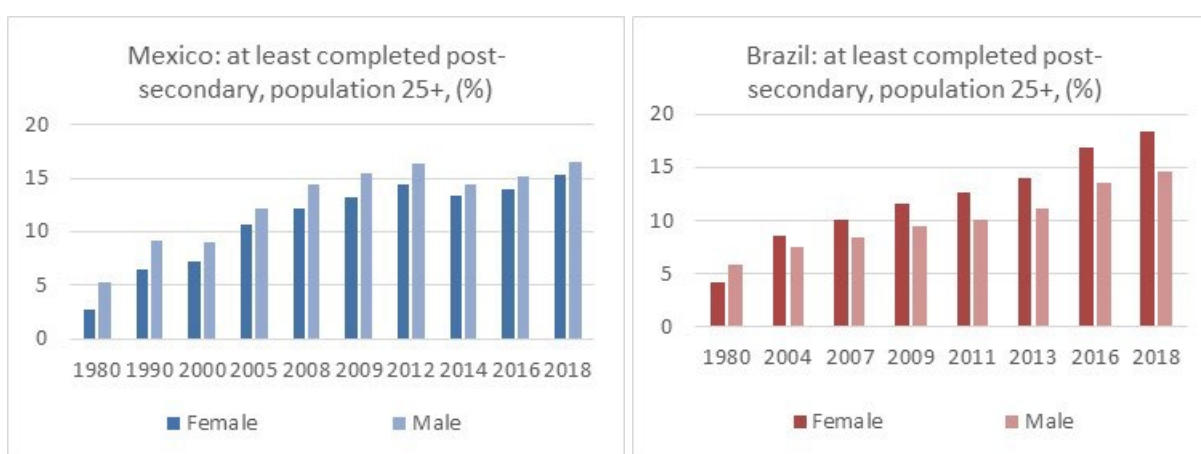
Figures 9 and 10: Females and Males Having at Least Completed Primary Education (percent of population 25+ years) in Mexico and Brazil



Source: Created by author based on World Bank (2021).

Figures 11 and 12 show the percentage of the population at least 25 years old that have completed at least post-secondary education in Mexico and Brazil, respectively. Similar to the two previous figures, Mexico and Brazil have seen an increase in educational attainment for at least post-secondary completion. In Mexico, women are still at a lower level compared to men, though the percentage of women having completed at least post-secondary education has increased over the years. However, rates have fluctuated for both Mexican men and women during the last decade. In Brazil, women had an education attainment rate at about 4 percent in 1980, whereas men had close to 6 percent. After 1980, however, women had higher rates than men, and education attainment for both men and women has increased. In 2018, 18 percent of women completed at least post-secondary education in comparison to 14 percent of men.

Figures 11 and 12: Females and Males Having at Least Completed Post-Secondary Education (percent of population 25+ years) in Mexico and Brazil



Source: Created by author based on World Bank (2021).

IV.3. Rapid Urbanization and Rural Migration

Inequality in both countries has also been attributed to rapid urbanization, especially high rural-to-urban migration. Though rural to urban migration is generally considered to be the poor people's best hope to escape poverty,³ urbanization can increase income inequality in the short run. For example, some of the poor migrants' lives may worsen in the short run, while those finding work will typically get higher wages than those paid in rural areas. However, in the long term, when urbanization has matured, and especially if policy measures of economic integration are adopted, inequality typically decreases. However, due to the rapid rate of urbanization (shown in Figure 13), many rural migrants are initially forced to seek shelter outside of formal urban living arrangements.

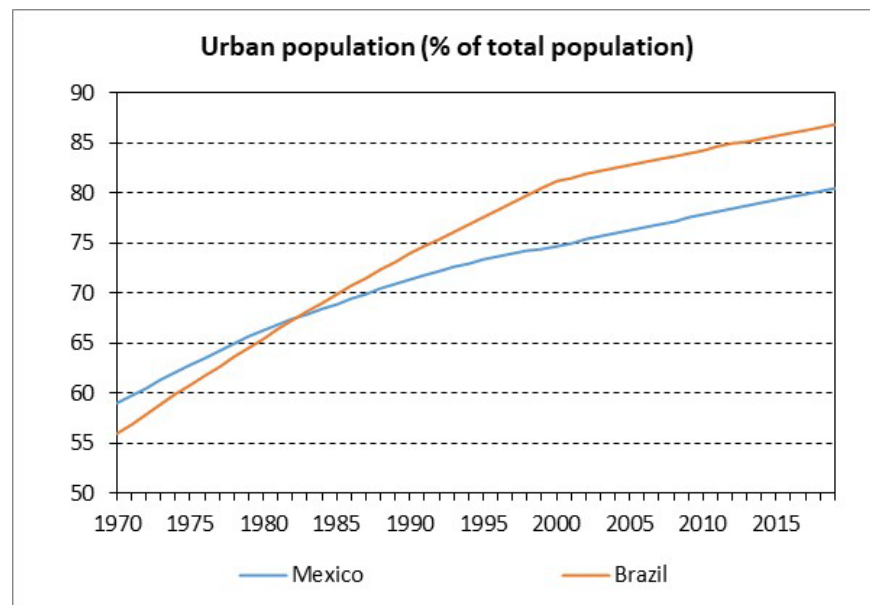
Brazil specifically is facing an issue of sustainability in terms of rapid urbanization and migration. In Brazil, *favelas* are one way of seeing the high levels of inequality within the country. *Favelas* are severely underdeveloped slums in metropolitan areas which experience below-par standards of living. In Rio de Janeiro, about "a fifth of the six million inhabitants live in several hundred *favelas*."⁴ These slums do not have efficient sanitary systems, are constructed on faulty

³ United Nations Population Fund (2007).

⁴ Tai (2018), p. 1.

foundations with poor building materials, which provides a great risk to those living in these areas. Additionally, most *favelas* are not formally recorded on maps, creating issues for residents in accessing basic needs. Violence is also a big issue in these areas, causing further issues for the impoverished urban population.

Figures 13: Urban Population (percent of total population)



Source: Created by author based on World Bank (2021).

Similarly, Mexico has experienced similar problems in their capital of Mexico City. Netzahualcoyotl, located northeast of Mexico City, has been regarded as one of the largest slums in the world.⁵ Crime is high in this area due to increased cartel and gang presence, and many residents suffer inequalities in accessing resources compared to the wealthier areas of Mexico City. Though poverty and crime have declined in recent years, they are still a significant issue.

Due to the rapid rate of urbanization and the slowing of public service spending by the government, cities are not able to properly support rural migrants, which perpetuates poverty in cities. In Mexico, inequality and poverty is focused towards the south, which exhibits a persistent lack of investment linked to divergent development progress.⁶ In Brazil, poverty is concentrated in the north-east region of the country.⁷ Urban inequality and slums remain a challenge for the Brazilian and Mexican governments, who have tried to enact policies to reduce crime such as increasing police surveillance in Rio de Janeiro in Brazil, which did however not have much success.

V. Ethical Analysis

This ethical analysis is structured into two sub-sections. The first sub-section reviews the question if inequality is ethical based on how some philosophers, economists, and scholars have answered

⁵ Jimeno, Tornabene and Jones (2020).

⁶ Gutierrez (2020), p. 19.

⁷ Signor, Kim and Tebaldi (2019).

this question. The second sub-section reviews how Mexico and Brazil have implemented some equalizing policies.

V.1. Is Inequality Ethical?

Several philosophers have studied inequality and derived their own interpretations of the issue. There are at least four established ethical perspectives and approaches. Emanuel Kant's humanist approach is based on the premise that all humans share the right to be treated equally by virtue of being human. A different approach is based on Rousseau's social contract theory, which implies equality as people would not sign up to it if it involved inequality. Rawls (1971) concluded that inequality is justified so long as it means that the poorest person is better off than he/she would be with equality. In other words, some inequality is justified if it is instrumentally helpful in improving the position of the poorest. A very different approach is taken by libertarians (initially represented by John Locke), who argue that inequality is justified so long as the wealth was acquired legitimately.⁸

Apart from philosophers, economists usually justify inequality if it maximizes total utility, output, or income of a country. Many economists have adopted the efficacy argument which justifies a certain amount of vertical inequality. They argue that inequality is necessary in promoting competition between individuals, leading to the maximization of output within society.⁹ Conversely, a rate of inequality that is too high can damage society, reducing human capital and usually contribute to political issues within a country. This results in a decrease in the size of domestic markets, which leads to under-consumption and unemployment, both harmful to the domestic economy.¹⁰ According to Oxfam (2014), today's level of inequality has a negative effect on economic growth. Furthermore, it hinders the fight against poverty. In this light, overlooking inequality by positive economic growth does not justify inequality in the long run.

Stiglitz, Sen and Fitoussi (2009) explain why GDP per capita should not be the sole measurement of development, including that it does not address issues of equality and poverty within a country. "If inequality increases enough relative to the increase in average per capita GDP, most people can be worse off even though average income is increasing."¹¹

Indian economist Amartya Sen (1995) addresses inequality in his book *Inequality Reexamined*, in which he argues for concentrating on higher and more basic values, such as individual capabilities and freedom to achieve objectives. Through directing attention towards the efficiency of social programs in promoting individual freedoms and equal opportunities, better policies can be constructed to alleviate poverty and inequality. Sen (1995) also gives deeper analyses to discourses on gender inequalities, welfare policies, affirmative action, and public provision of health care and education.¹² The focus of eradicating inequality should be the equality of opportunities for all individuals. Some scholars have adopted a multi-dimensional view of poverty that better encapsulates the issues in order to create more effective policies.

⁸ This paragraph is based on Stewart and Samman (2014).

⁹ Stewart and Samman (2014).

¹⁰ Oxfam (2014).

¹¹ Stiglitz, Sen and Fitoussi (2009), p. 3.

¹² Wells (undated).

V.2. Solutions to Inequality?

Although there has been a significant increase in the research of the origins of inequality and its role in other societal issues, there has been less progress in identifying equalizing policies and especially in gaining political support for equalizing policies.¹³ In Mexico and Brazil, many people seem to have been dissuaded from continuing equalizing policies. Although Brazilians and Mexicans want more equality, they are less willing to accept tax policies that put higher taxes on higher incomes. Furthermore, the construction of “otherness” and the stigma toward poor individuals by wealthier social brackets in Mexico and other Latin American countries perpetuates poverty and inequality in the region.¹⁴

The minimum wage has slowly increased in Mexico over the years. In 2020, the daily minimum salary increased about 20 percent to 141.70 pesos, which translates to about US\$7.15. Though this minimum wage may help various individuals working minimum wage jobs, there has been fear that it may deter foreign investment in the country and hurt the formal job sector.¹⁵ Brazil also raised its minimum wage over the years and more so than Mexico. By the end of 2012, Brazil’s minimum wage was more than twice that of Mexico, which is even more significant due to much higher costs of the basic food basket in Mexico than in Brazil.¹⁶ However, one problem with minimum wages in both Brazil and Mexico is that minimum wage laws do typically not apply to the informal sector, where most of the poorest are working. Hence, the minimum wage increase will most likely not directly affect the poorest segment of the population in Brazil and Mexico.

Several anti-poverty programs have been implemented in Mexico and Brazil in efforts to reduce poverty and income inequality. Conditional cash transfers (CCTs), a policy directed towards secondary distribution to address vertical inequality, have been the main method of these programs. CCTs aim to reduce poverty by incentivizing recipients to invest in their own welfare, such as sending their children to school, using basic health care services, etc. The recipients receive the cash transfer after fulfilling certain requirements. This type of cash transfer differs from unconditional cash transfers, which do not place specific requirements onto recipients. Even though there has been some controversy over their effectiveness in alleviating poverty and inequality, they have contributed to some progress in Mexico and Brazil.

- *Progres*a, one of the most notorious anti-poverty programs, was created in Mexico in 1997. Because of the Mexican economic crisis of 1995, the country experienced major increases in poverty due to the devaluation of the peso. Because of this, the government decided to create a social program to address the severe impact of this crisis on poverty. The program was later renamed *Oportunidades* and most recently, *Prospera*. These programs attempted to address education, health, and nutrition within Mexico. The programs are reported to have doubled the per capita healthcare visits in rural communities.
- Brazil’s *Bolsa Familia* is a CCT program that offers cash transfers to families rather than individuals and targets the poorest families. This program lifted many Brazilians out of poverty during the 2000s and focuses on increasing immunization and educational attendance for children. The program offers cash transfers to 46 million people in Brazil,

¹³ Stewart and Samman (2014).

¹⁴ Villalpando (2021).

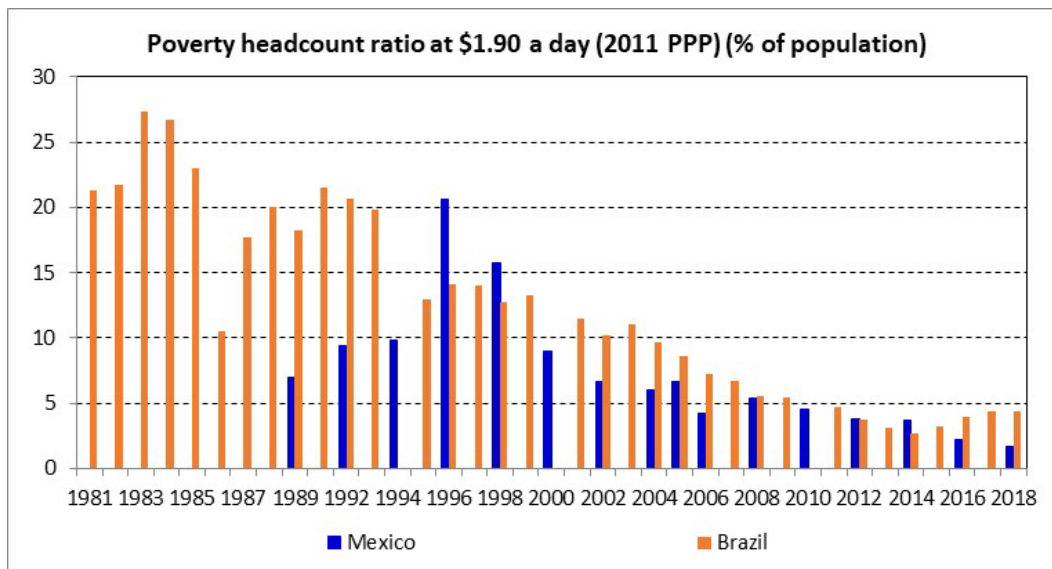
¹⁵ Reuters Staff (2020).

¹⁶ Carrera Troyano and Domínguez Martin (2017), p. 37.

or one in every four families, with a fourth of the recipients being Afro-Brazilian and more than half being women.¹⁷

Figure 14 displays the evolution of the poverty headcount ratio at \$1.90-a-day (which is the international measure for extreme poverty) for Mexico and Brazil. Though both countries have seen a significant decline in extreme poverty since the late 1990s, Brazil's ratio has increased slightly in recent years from 2.7 percent of the population in 2014, to 4.4 percent in 2018. In Mexico, however, extreme poverty decreased continuously since 2008, decreasing from 5.4 percent in 2008 to 1.7 percent in 2018. The poverty headcount ratio at \$3.20-a-day (shown in Figure 15 on the next page) has followed a similar pattern as the \$1.90 a day indicator in both countries. As of 2018, 6.5 percent of Mexico's population and 9.1 percent of Brazil's population lived in moderate poverty.

Figure 14: Poverty Headcount Ratio at \$1.90-a-day (2011 PPP) (percent of population), all available years



Source: Created by author based on World Bank (2021).

Economic growth has disproportionately benefited high-income individuals, which has perpetuated income inequality. Because of this, creating a tax policy which fairly addresses the income inequality may aid in the fair distribution of wealth among individuals. In many instances, the poor contribute more of their income to taxes while the wealthiest individuals use loopholes in order to evade taxes. The Panama and Pandora Papers are prime examples of the evidence of tax evasion by wealthy individuals, especially in Mexico and Brazil.¹⁸

Racial inequality plays a heavy role in the access to opportunity in both Mexico and Brazil.¹⁹ Though racial inequality is apparent in Mexico, there are different dynamics in Brazil. In 1888, Brazil was the last country in the Western world to abolish slavery. The remnants of this system

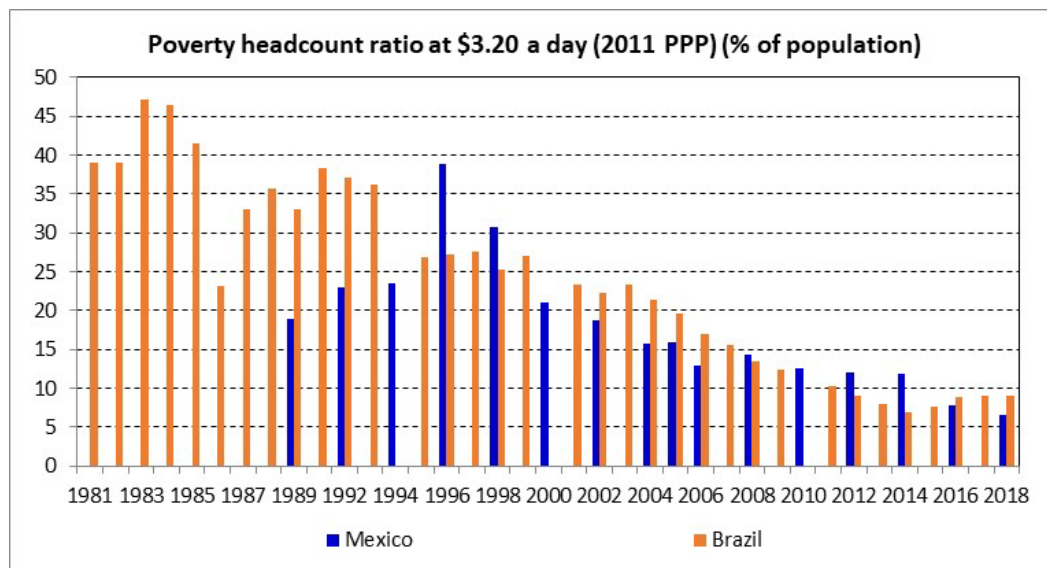
¹⁷ Centre for Public Impact (CPI) (2019) and Wetzel and Econômico (2013).

¹⁸ Gladstone (2021).

¹⁹ Monroy-Gómez-Franco, Vélez-Grajales and Yalonetzky (2021).

and hierarchy are still apparent in Brazilian society, with a majority of the most impoverished Brazilians being of African descent.²⁰ According to Oxfam (2019), at the current pace of progress in Brazil, black Brazilians will reach wage equality with white Brazilians in 2089. In Mexico, indigenous populations are treated inferior to lighter skinned or white Mexicans and are more concentrated in rural areas of the country.

Figure 15: Poverty Headcount Ratio at \$3.20-a-day (2011 PPP) (percent of population), all available years



Source: Created by author based on World Bank (2021).

Furthermore, COVID-19 has presented many obstacles to reduce poverty and inequality in Mexico and Brazil. Though progress has been made in recent years, COVID-19 has drastically affected the rate of poverty and inequality throughout the world.²¹ Brazil specifically was greatly affected by the pandemic due to policy decisions made by the Bolsonaro administration, which took a lax approach to the pandemic, which resulted in a high death toll in Brazil and pushed many into poverty.²²

VI. Conclusion

As this article has shown, many factors play a role in inequality in Mexico and Brazil. Inequality in both countries is still a major issue, although GDP per capita has increased significantly since the 1980s. The groups most affected by inequality are usually marginalized due to their race, class, or gender. Class plays a significant role in inequality since it is much harder for the poor to have access to basic needs and have the same opportunities as those in higher classes. Furthermore, generational wealth can determine the opportunities an individual can access, severely limiting them or giving them an advantage over others.

²⁰ Pereira (2016).

²¹ Yonzan et al. (2022).

²² Malta, Murray, da Silva and Strathdee et al. (2020).

In Mexico, there are rigid gender roles which affect women's access to education and formal work. Additionally, indigenous groups are treated as inferior compared to mestizos or whites. In Brazil, race is a large issue due to the country's history with the slave trade, leaving many Afro-Brazilians at a social and economic disadvantage. Educational attainment has been fundamental in the path towards inequality reduction according to many scholars. Mexico and Brazil have both experienced increased rates of education attainment, especially in the 2000s. While Brazil has reached gender equality in educational attainment (women have actually higher educational attainment today than men), Mexico continues to lack gender equality in education. Though race plays a lesser role in overall equality than education, it is necessary to take race into account when constructing effective policies and attitudes towards inequality reduction.

The rapid increase in urbanization and rural migration have also contributed to inequality specifically in cities. This affects the urban level of poverty since migrants cannot afford to live in safe and sanitary housing within urban areas. Crime and violence are also issues in these poor neighborhoods.

Inequality remains a persistent issue in Mexico and Brazil, despite efforts to implement social programs to mitigate socioeconomic issues. *Progresá* in Mexico and *Bolsa Família* in Brazil are two of the most notable conditional cash transfer programs that did make significant progress in poverty and inequality reduction in the 2000s. Since then, however, inequality and poverty reduction has not significantly declined. The wealthiest 10 percent of the population continue to earn significantly more than the bottom 20 percent and only about 15 percent of the population have completed at least post-secondary education in both countries. This perpetuates inequality in both Mexico and Brazil and may also contribute to higher corruption and lobbying power by the wealthy to enact policies that benefit the wealthy and hurt the poor.

Finally, COVID-19 has presented the world with several obstacles, including pushing tremendous amounts of people into poverty and increasing inequality throughout the world.²³ It is imperative for Mexico and Brazil to continue research into the current factors that affect inequality in their countries and pursue progressive policies to enact greater change.

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²³ U.S. Global Leadership Coalition (2021).

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From Cairo and Carthage to the Rest of the World: Trade in Egypt and Tunisia

Jack Green

Abstract

This article examines trade and globalization in Egypt and Tunisia. Though both countries are located in North Africa, they have different trading networks and spheres of influence on the rest of the world. Though the largest share of Egyptian trade is still with other countries in the Middle East, Egypt has expanded its traditional trading network. Tunisia has made great strides towards liberalizing trade policies and intensifying its trade connections with Europe. Additionally, the article analyzes some ethical challenges both countries face with regards to some aspects of international trade.

I. Introduction

One of the most important aspects of generating revenue for a country's economy is facilitating trade. The practice of trading goes back millennia to hunter gatherers to Marco Polo and the silk road throughout Asia. Countries and empires have gone to great lengths when trying to find land with abundant resources and valuable trading posts. Most cities and developments were built near rivers or oceans as these are places where trade could be done more easily. Both Tunisia and Egypt are countries strategically located where they can enact trade both regionally and globally.

This article examines the similarities and differences between Egypt and Tunisia in respect to international trade. Despite these countries being geographically located close to each other, they have different approaches and strategies for trade. For example, Egypt's top three exports markets are all in the Middle East: the United Arab Emirates, Saudi Arabia, and Turkey, which amount respectively to 10.7 percent, 6.4 percent, and 6.2 percent of Egypt's total exports.¹ Tunisia's top three exports markets are all in Europe: France, Italy, and Germany, which amount respectively to 29.6 percent, 16.8 percent, and 13.9 percent of Tunisia's total exports.²

¹ International Trade Centre (2022a).

² International Trade Centre (2022b).

This article is structured into six sections. Following this introduction, the article summarizes some recent publications that examine the trading regimens of these two countries. The article then provides some socio-economic background to illustrate how Egypt and Tunisia have done over time with regards to three basic development indicators. An analysis of facts related to trade will then highlight various trade issues of the two countries. The subsequent ethical analysis will shed some light on various ethical issues related to trade in Egypt and Tunisia. Lastly, a concluding section will recap the main issues.

II. Literature Review

There has been an extensive amount of literature on trade in both Egypt and Tunisia over the last few decades. The rapid rise with economic growth and development within each country has propelled them to international attention with respect to trade. Kahn and Arielli (2019) as well as Reda Abu Hatab, Abdelhamed Shoumann and Xuexi (2012) are recent publications focusing on trade issues in Egypt. Jebli and Youssef (2015) and Meddeb (2021) are recent publications focusing on trade issues in Tunisia. Konan and Kim (2004) focus on both trade in Egypt and Tunisia. In all these publications, the authors look at how trade regulations have impacted trade in these two countries.

- Kahn and Arielli (2019) examine how the March 1979 peace agreement between Egypt and Israel has impacted the two countries' trade relations. Due to its strategic location, Egypt plays an important role in the global trade network. Following the peace agreement, the United States helped to set up the Qualified Industrial Zone (QIZ) to generate a positive flow of trade between Egypt, Israel and the United States. As a result, Egypt was able to dramatically increase its textile exports. The QIZ deal with Israel is consistent with efforts by the Egyptian government to open up the economy, increase economic growth, enhance job creation, and promote exports. Kahn and Arielli (2019) also note how all three countries involved (Egypt, Israel and the United States) have different political agendas but are effectively able to work together and benefit through trade.
- Reda Abu Hatab, Abdelhamed Shoumann and Xuexi (2012) review how Egypt, the first Arab and African country to enter diplomatic relations with the People's Republic of China in 1956, and China have seen a substantial expansion in their trade. China's demand for imports is expected to continue, driven by the effects of fast economic growth, higher incomes and rapid urbanization that leads to a prime market for Egypt to export to. The authors emphasize the importance of Egypt's positive relationship with China in order for Egypt to expand its horizon and trade with a country that is not seen as a typical trading partner. When looking at the comparative advantages for Egypt trading with China, Egypt chiefly exports mineral fuels, lubricants and related materials, chemicals and related products to the Chinese market. On the contrary, China's major exports to Egypt are manufactured goods, machinery and transport equipment, and chemical products.
- Jebli and Youssef (2015) focus on the many adjustments Tunisia made to liberalize their trading rules in order to be more productive and profitable. Tunisia joined the General Agreement on Tariffs and Trade (GATT) on August 19, 1990, the World Trade Organization (WTO) on March 29, 1995, and signed an association agreement with the European Union (EU) in July 1995. By removing all trade barriers, Tunisia became the first Mediterranean country to enter into a free trade area with the EU in 2008. Furthermore,

the article examines the connection between renewable energy consumption and international trade for Tunisia. Since 1980, Tunisia's exports have grown tremendously thus resulting in a larger consumption of energy. Renewable energy has been used in Tunisia to help create a greener environment to ensure that all this productive trade does not in turn hurt the country in the long run.

- Meddeb (2021) focuses on Tunisia's informal trade, especially the impact of informal trade on Tunisia's strategic trading partners. Due to security issues negatively affecting Tunisia since 2011, many of Tunisia's trading partners in Europe have decreased their traditional trade with Tunisia. Tunisia's informal trade consists mostly of open-air imports of local vendors selling these imported goods. These goods are not necessarily being brought in illegally, but it has become an increasing part of Tunisian trade, which is difficult to monitor. In addition, new trading partners have emerged with countries like Turkey and China. On November 25, 2004, Turkey and Tunisia signed a free trade agreement that entered into force on July 1, 2005.
- Konan and Kim (2004) examine Egypt's and Tunisia's liberalization policies that were adopted to expand their international trade. A big contributor for Tunisia becoming the first country to be affiliated with the EU was the close political relationship between Tunisia and France (its former colonizer). While Tunisia is closely tied to Europe, Egypt is in a sense disconnected from the rest of the world's global trading system. Egypt's trade centers around petroleum and the Suez Canal, which is vital for international trade, but does not contribute much to Egypt's trade. Tunisia specializes in manufacturing, particularly clothing. Still, according to Konan and Kim (2004), both countries are taking great strides towards furthering the development of their respective countries and growing their global trade reach.

III. Socio-Economic Background

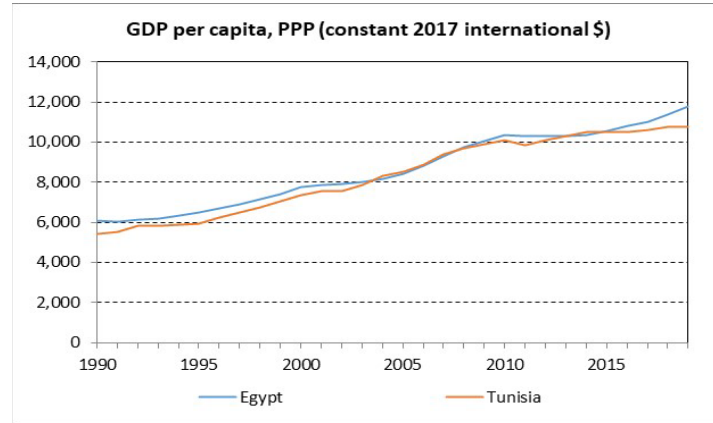
Figure 1 compares the purchasing power parity (PPP)-adjusted GDP per capita in constant dollar for both Egypt and Tunisia. Both countries have seen their GDP per capita increase at an overall steady and nearly identical rate over the last 30 years. In 1990, Egypt's GDP per capita was \$6,087, while Tunisia's was \$5,432. By 2019, both countries nearly doubled their GDP per capita: Egypt's PPP-adjusted GDP per capita reached \$11,763, while Tunisia reached \$10,756. There is a slight dip in both countries' GDP per capita following the Great Recession of 2008.

Figure 2 shows life expectancy for Egypt and Tunisia from 1970-2018. Egypt's life expectancy increased from 52.1 years in 1970 to 71.8 years in 2018, while Tunisia's life expectancy increased from 51.1 years to 76.5 years during the same period. Hence, Egypt added 19.8 years to its life expectancy, while Tunisia added 25.4 years. Comparing Figures 1 and 2, we can see that Tunisia's life expectancy has always been higher than that of Egypt (except for 1970 and 1971), even though Egypt's GDP per capita has been higher than that of Tunisia for nearly all years.

Figure 3 compares the literacy rates between Egypt and Tunisia. The chart shows that literacy rates have increased over the last four decades in both countries, though the most recent data shows some slight decline for both countries. Egypt's literacy rate increased from 38.2 percent in 1976 to a maximum of 73.9 percent in 2012, after which it declined to 71.2 percent in 2017. Tunisia's literacy rate increased from 48.2 percent in 1984 to 80.2 percent in 2012, after which it declined to 79.0 percent in 2014 (the last year such data is available for Tunisia). Most of the increases in

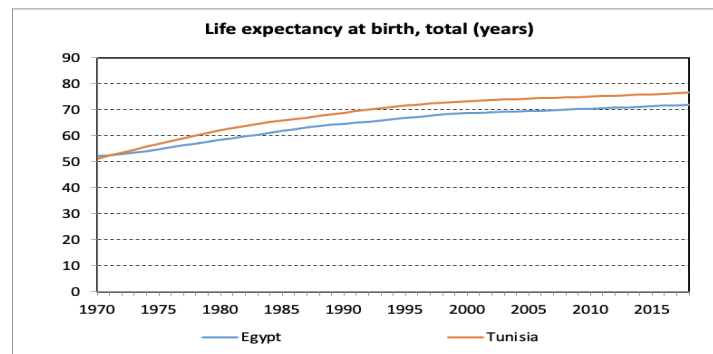
literacy rates of Egypt and Tunisia happened until the mid-2000s. Similar to life expectancy, the literacy rates are always higher in Tunisia than in Egypt, even though Egypt's GDP per capita has been higher than Tunisia's GDP per capita for most of the years.

Figure 1: PPP-adjusted GDP per capita, 1990-2019



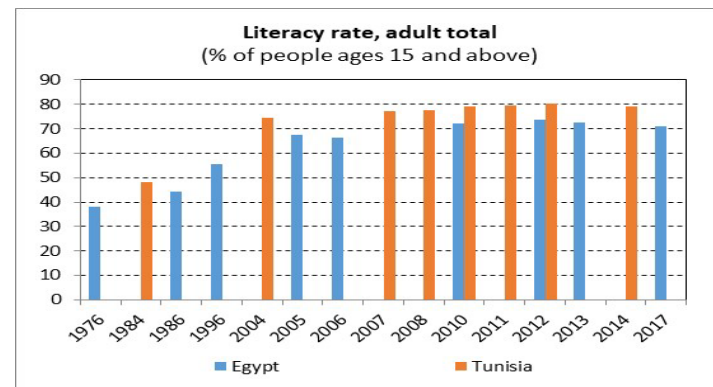
Source: Created by author based on World Bank (2021).

Figure 2: Life Expectancy at Birth, 1970-2018



Source: Created by author based on World Bank (2021).

Figure 3: Adult Literacy Rate (percent), all available years



Source: Created by author based on World Bank (2021).

IV. Analysis of Facts

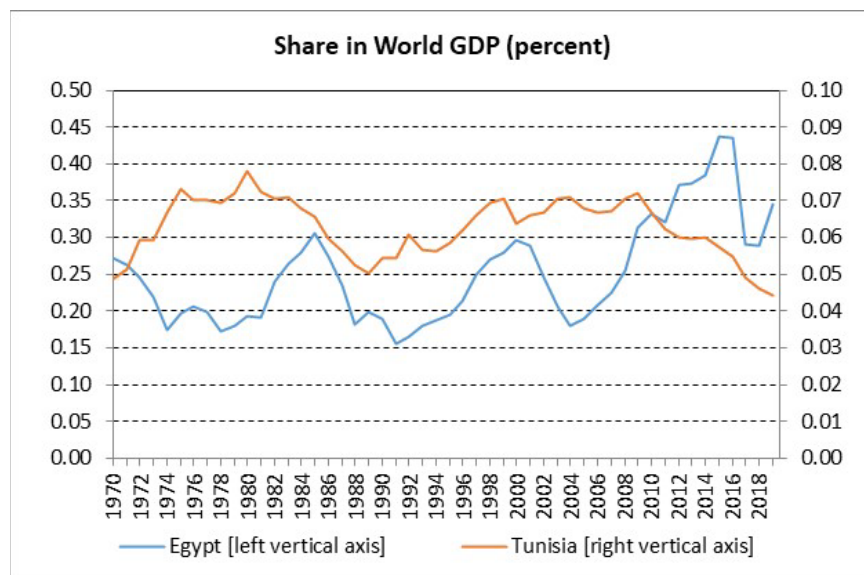
This section reviews the evolution of the two countries' share in world GDP and four key trade-related indicators for Egypt and Tunisia for the last five decades: the share in world exports, the exports-to-GDP ratio, the imports-to-GDP ratio, and the average tariff rates.

IV.1. Share in World GDP

Tunisia is much smaller economy than Egypt. From 1970 to 2018, Egypt's GDP constituted on average 0.25 percent of world GDP, while Tunisia's GDP constituted on average 0.06 percent of world GDP. Given these different levels, Figure 4 uses two vertical axes, Egypt's share is displayed on the left vertical axis, while Tunisia's share is shown on the right vertical axis. Figure 4 shows that neither country has ultimately seen any substantial increase in its share of world GDP during the last five decades, even though both Egypt and Tunisia have seen a close to doubling of their GDP per capita from 1990 to 2018 (as was shown in Figure 1 above).

From 1970 to 2009, Egypt's share in world GDP fluctuated between 0.15 percent and 0.30 percent. It then shot up in the next few years, reaching 0.44 percent in 2015, but then declined sharply from 2016 to 2017, and then recovered a bit in 2018 at 0.35 percent, compared to 0.29 percent nearly five decades earlier in 1970. Tunisia's share in world GDP also fluctuated over time, though a bit less than Egypt's and the up and down cycles being a bit longer than in Egypt. Tunisia's share in world GDP reached an all-time high of 0.078 percent in 1980, and an all-time low of 0.044 percent in 2019, which is however only marginally lower than what it was in 1970 (0.049 percent).

Figure 4: Share in World GDP, 1970-2019



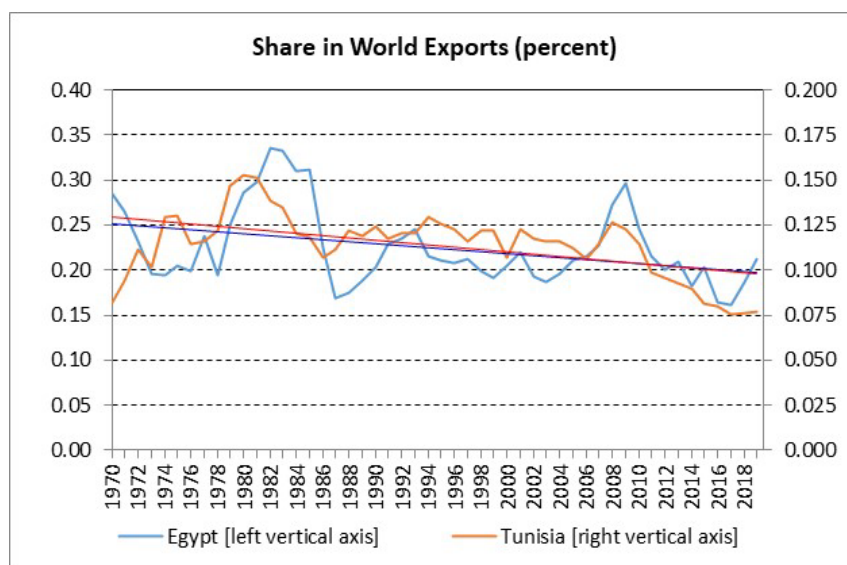
Source: Created by author based on World Bank (2021).

IV.2. Shares in World Exports

Figure 5 illustrates some important trends happening over the last 50 years in regard to Egypt's and Tunisia's shares in world export. Both countries follow a similar pattern, with both countries having their highest peaks in world export shares in the 1980s. During the last five decades,

Egypt's average share in world exports was 0.22 percent, while Tunisia's average share in world exports was 0.11 percent (exactly half of Egypt). The blue and red trendlines, respectively for Egypt and Tunisia, are nearly identical, showing an about 20 percent decline over the last five decades.

Figure 5: Egypt's and Tunisia's Shares in World Exports, 1970-2019



Source: Created by author based on World Bank (2021).

IV.3. Exports to GDP and Imports to GDP Ratios

Figures 6 and 7 illustrate the share of exports and imports in GDP, respectively for Egypt and Tunisia, which can be summarized in a three key messages. First, Tunisia is a far more open economy than Egypt. During 1970 to 2019, the sum of exports and imports averages to 49.0 percent of GDP in Egypt, while the sum of exports and imports averages to 84.4 percent of GDP in Tunisia. Second, both countries import typically more than they export. During 1970 to 2019, Egypt's average trade deficit (exports minus imports) stood at 8.1 percent of GDP, while Tunisia's average trade deficit stood at 5.1 percent of GDP. Third, while both countries display a relatively high volatility in both their exports and imports, Egypt's exports and imports show a slight decline as a percent of GDP over the last five decades, while Tunisia's exports and imports show a solid positive trend as a percent of GDP.

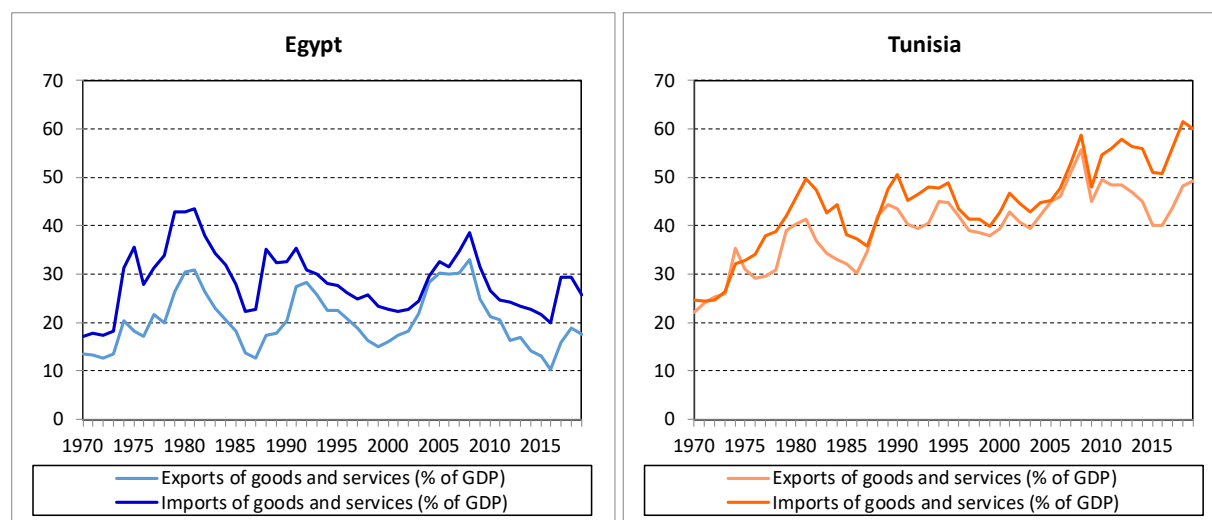
For the year of 2020, Egypt's three main exports were refined petroleum, gold, and nitrogenous fertilizers, representing respectively 10.1 percent, 9.8 percent, and 3.5 percent of Egypt's total exports.³ Tunisia's three main exports were insulated wire, pure olive oil, and non-knit men's suits, representing respectively, 13.4 percent, 6.3 percent, and 5.9 percent of Tunisia total exports in 2020.⁴ With regards to imports, Egypt's three main imports were wheat, crude petroleum, and cars, representing respectively 6.8 percent, 4.5 percent, and 3.8 percent of Egypt's total imports in

³ Observatory of Economic Complexity (OEC) (2022a).

⁴ Observatory of Economic Complexity (OEC) (2022b).

2020.⁵ Tunisia's three main imports were refined petroleum, cars, and wheat, representing respectively 6.3 percent, 2.8 percent and 2.8 percent of Tunisia's total imports in 2020.⁶

Figures 6 and 7: Exports and Imports as Percent of GDP, 1970-2019, respectively for Egypt and Tunisia



Source: Created by author based on World Bank (2021).

IV.4. Tariffs

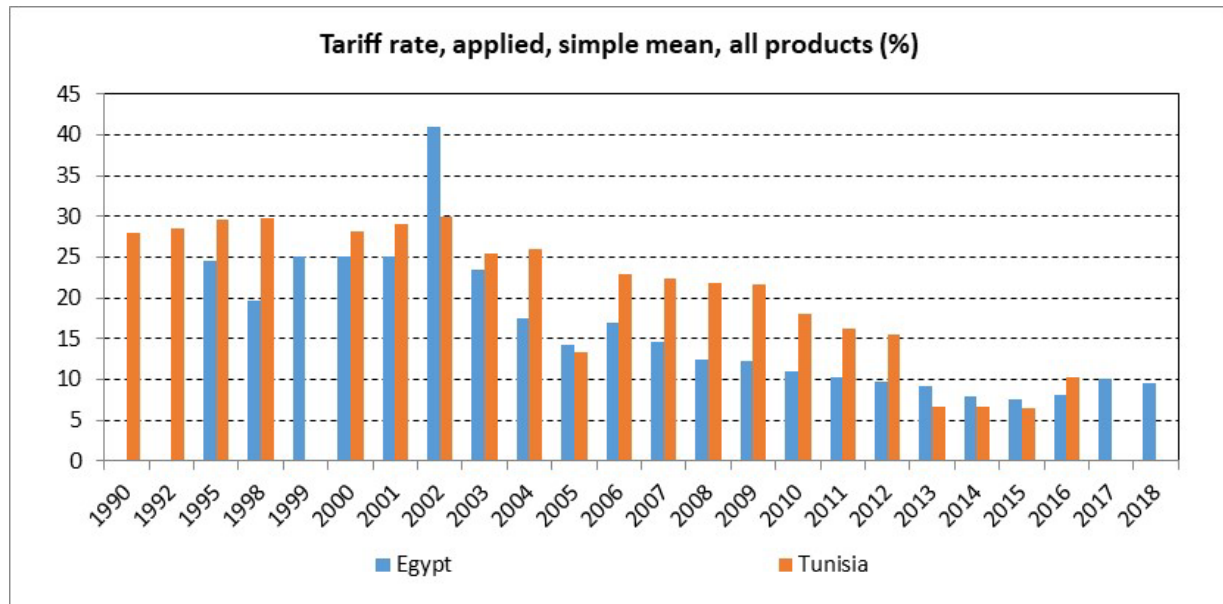
Figure 8 shows the average tariff rate for Egypt and Tunisia for all available years. Overall, we can see that both countries reduced their tariff rates over time, hence, adopting more liberal trade policies. Egypt had an average tariff rate of 23.1 percent during the second half of the 1990s, which was reduced to an average of 20.3 percent in the first 10 years of the 2000s, despite the exceptional peak of 40.9 percent in 2002. Egypt's average tariff rate was then further reduced during the 2010-2018 period, when it averaged 9.3 percent. Tunisia reduced its average tariffs from an average of 29.0 percent during the 1990s to an average of 24.0 percent in the first decade of this millennium, which was then reduced further to 11.4 percent during the 2010-2016 period. While Egypt's tariffs are overall lower than Tunisia's tariffs, Tunisia is a more open economy than Egypt, which can be explained with the fact that Tunisia is a much smaller economy than Egypt, hence relying more on international trade.

Tariffs play a major role in world trade and how integrated countries are in the world economy, but country size plays typically an even more dominant role. Having a low tariff rate is an integral part towards both nations increasing their ability to manufacture products to trade as well as influence their local economies. Also, a lower tariff rate decreases the likelihood of people or groups smuggling goods into the country. One negative side effect of lower tariffs are reductions in government revenues as the increased value of trade resulting from the tariff reduction is typically not compensating fully for revenues lost due to the reduced tariff rate.

⁵ Observatory of Economic Complexity (OEC) (2022a).

⁶ Observatory of Economic Complexity (OEC) (2022b).

Figure 8: Average Tariff Rate Applied on all Products, all available years



Source: Created by author based on World Bank (2021).

V. Ethical Analysis

Ethics in trade is a major talking point in relation to how countries are viewed from a global perspective but also by their own citizens. In order for a country to be successful in terms of their trade, they have to take an ethical approach. Building on Barry and Wisor (2015), four types of ethical concerns regarding trade will be discussed in this section: the content of trade, the process by which trade has come about, the possibility of trade having caused unjustified harm, and trade bringing about an unfair distribution of benefits.

V.1. Content Being Traded

One way in which trade can be unethical is due to the content that is being traded. This can be in reference to things like illegal substances (like ivory), rare cultural artifacts, and human trafficking. This sub-section only covers issues related to human trafficking.

While there are no reliable data specifically for Egypt and Tunisia, the International Labour Organization and Walk Free Foundation (2017) provided global and regional numbers for modern day slavery in 2016, broken down into forced labor and forced marriage. As shown in Table 1, while the numbers for modern day slavery are relatively low in absolute numbers for the Arab countries, the Arab countries have the third highest prevalence (numbers per thousand people in the population) among the five regions. With regards to unethical contents being traded, the most relevant modern day slavery category relates to forced marriage, which are mostly domestic cases in Egypt and Tunisia, though there are some cases across these countries' borders, and hence, these forced marriages across borders of mostly girls below 18 years old constitute unethical trade in people.

As reported by Lateef (2021), people from the Arabian Gulf like Kuwait and Saudi Arabia purchase Egyptian women to use them as sex slaves. "Human Trafficking in Egypt is also targeting

men and women from Southeast Asia and other parts of the world. Ethiopians, Sudanese, Indonesians and Filipino women voluntarily relocate to Egypt and experience domestic forced labor.”⁷ Though Egypt has regulations in place that prohibit foreigners from marrying an Egyptian woman if there is a gap in age of more than 10 years, marriage dealers have managed to find a way around this by altering birth certificates to ensure the women/girls look older and the men younger. In 2010, the Egyptian government established a law to criminalize sex and labor traffickers and instituted punishments ranging from three to 15 years imprisonment as well as fines, but human trafficking in Egypt continues to require attention in order to reduce it.⁸

Table 1: Number and Prevalence of Persons in Modern Slavery by Region, 2016

			Total forced labour	Forced marriage	Modern slavery
World		No. (thousands)	24 850	15 442	40 293
		Prevalence (per thousand)	3.4	2.1	5.4
Region	Africa	No. (thousands)	3 420	5 820	9 240
		Prevalence (per thousand)	2.8	4.8	7.6
	Americas	No. (thousands)	1 280	670	1 950
		Prevalence (per thousand)	1.3	0.7	1.9
	Arab States	No. (thousands)	350	170	520
		Prevalence (per thousand)	2.2	1.1	3.3
	Asia and the Pacific	No. (thousands)	16 550	8 440	24 990
		Prevalence (per thousand)	4.0	2.0	6.1
	Europe and Central Asia	No. (thousands)	3 250	340	3 590
		Prevalence (per thousand)	3.6	0.4	3.9

Source: International Labour Organization and Walk Free Foundation (2017), Table 2, page 19.

In Tunisia, human trafficking is a problem that has been prevalent so much so that the government has finally cracked down on it and began to enforce strict punishments to those involved. In July of 2019, Tunisia began to make procedures and guidelines for the National Authority as well as committees for handling human trafficking violations. As stated by Keffe (2021, Fact #1): “The new law will criminalize sex and labor trafficking”. In respect to these laws, the Tunisian government is trying to close down workplaces that engage in human labor trafficking. Many of the human trafficking victims are smuggled to Tunisia from other countries. The government in Tunisia has also set up a program to help these victims receive legal assistance and medical care. The services being provided by the government are a crucial piece towards ensuring human trafficking does not happen to a person twice. Furthermore, the United Nations has partnered with Tunisia to provide workshops to aid in preventing and eliminating human trafficking in Tunisia.⁹

⁷ Lateef (2021), paragraph 4.

⁸ Lateef (2021), paragraph 4.

⁹ This paragraph is based on Keffe (2021).

V.2. Process by Which Trading Comes About

A second way trade can be unethical focuses on the process in which the trading comes about, which refers to trade that is based on coercion, deception, or child labor. Focusing on child labor, both Egypt and Tunisia are still struggling with this issue.

In Egypt, child labor has been a particular struggle in the last century. With education for all slowly starting to take precedence in Egyptian society, the issues with child labor are getting better. The Bureau of International Labor Affairs of the U.S. Department of Labor (2019, p. 2) presents an eye-opening fact, stating that: “Many children drop out of school because of school-related costs, such as transportation, clothing, and food.” In addition, despite there being a 93.8 percent attendance rate at school, the children that are working, work in typically difficult conditions. This intense form of child labor is happening in the agricultural sector but also in the industry sector.

Although the Egyptian government has made great strides towards reducing child labor, there are still loopholes in their policies which allow the worst form of child labor to happen in particular with brick making. Someone who is looking at importing bricks from Egypt might not know about the extremities of the circumstances for the employees due to the company hiding this from the customer. The power of education should be the priority for the Egyptian government and there needs to be more of an effort to keep these kids in school. Preventing such situations from happening is vital to reducing child labor and ultimately making for a more productive economy.¹⁰

In Tunisia, children engage in the worst forms of child labor, including in forced labor in domestic work and begging, each sometimes as a result of human trafficking. Children also perform dangerous tasks in scavenging for garbage and in street work. Though Tunisia has minimum age laws, these laws cannot be enforced with respect to children who are engaged in work in the informal sector without permission of the property owner or a court order to access the property. A 2017 National Child Labor Survey indicated that 7.9 percent of all Tunisian children are engaged in child labor, with 63.2 percent of those involved in hazardous work. The report indicated that 48.8 percent of the children working below the country’s minimum age work in agriculture and fishing, 20.2 percent in commerce, 10.9 percent in manufacturing, 6.4 percent in domestic labor, and 4.7 percent in construction.¹¹

V.3. Trade Causes Unjustified Harm

There are many facets on how trade can cause unjustified harm. For example, it could be based on some people being worse off as a result of trade, restrictions in producing certain products due to intellectual property rights, trade being distorted by government subsidies, and trade only benefiting certain groups or an unethical government.

In the case of Egypt, the most problematic issue within this category of trade causing unjustified harm is the refinement of petroleum. As stated by Barboza Mariano and Lèbre La Rovere (2014, p. 227): “Oil refineries are major polluters, consuming large amounts of energy and water, producing large quantities of wastewaters, releasing hazardous gases into the atmosphere and generating solid waste that are difficult both to treat and to dispose of.” The reason these environmental issues cause unjustified harm within the arena of international trade for Egypt is that refined petroleum is Egypt’s largest export product, constituting 10.1 percent of Egypt’s total

¹⁰ This paragraph is based on U.S. Department of Labor, Bureau of International Labor Affairs (2019a).

¹¹ This paragraph is based on U.S. Department of Labor, Bureau of International Labor Affairs (2019b).

exports in 2020.¹² On the other hand, Egypt is importing crude petroleum (which constitutes its second largest import product). Hence, Egypt imports crude petroleum, which is then refined in Egypt to be exported to the rest of the world.

While the profits from these petroleum refinements accrue to the corporations undertaking the refinement, Egypt's population suffers from the environmental consequences. A recent World Bank report concluded that "19,200 people died and over 3 billion days were lived with disease in Egypt in 2017 from (...) air pollution in Greater Cairo and inadequate water, sanitation, and hygiene nationwide."¹³ Given the size of Egypt's petroleum refinement industry and the low environmental standards in Egypt's petroleum refinement industry, petroleum refinement is a major contributor to these environmental consequences for the Egyptian people.

In the case of Tunisia, COVID-19 seriously affected the many small traders who live near the border with Libya and engage in cross-border trading on a daily basis. According to an article by Kimball (2021), these traders bring cheap fuel, supply the phone shops with SIM cards, bring in food, and help hospitals and pharmacies with medicines. This is all because the products are cheaper in Libya. However, the Tunisian government having control over this trade has created an economic crisis for the locals in these border towns by closing the border during the height of the COVID-19 pandemic. Despite the government having the borders reopened, anti-COVID measures have made it nearly impossible to survive through border trade, and in turn it is hurting the people of Tunisia. In other words, in this case, the unethical aspects are the restrictions of trade and there is an ethical dilemma of balancing the costs and benefits of COVID-19 restrictions on cross-border trading.

V.4. Trade Bringing about an Unfair Distribution of Benefits

The two main categories for how trade can bring about an unfair distribution of benefits are related to mostly developing country producers not getting a fair price for their products (which has led to the emergence of fair trade activists) and unfair intertemporal benefits of trade. One way trade can have unfair intertemporal benefits across countries is that many developing countries initially have a comparative advantage in agricultural goods. However, countries specializing in exporting agricultural products may lose out in the long-run as demand (and hence prices) for agricultural products will not increase as people get richer, while countries producing consumer products benefit from overall increases in income over time. This contributes to a long-term decline in the relative price of primary goods, which contributes to a secular decline in the terms of trade, which is commonly known as the Prebisch-Singer hypothesis.¹⁴

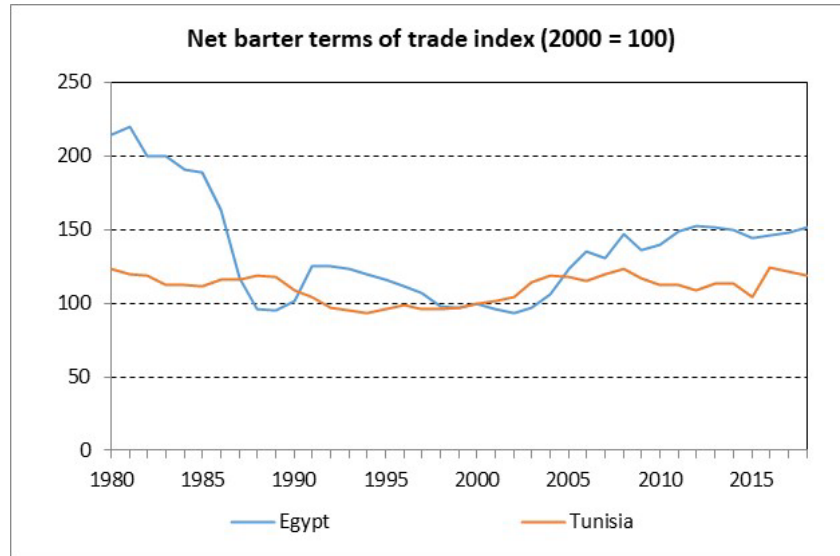
Figure 9 shows the evolution of the terms of trade for Egypt and Tunisia from 1980 to 2018. We can see a sharp decline in Egypt's terms of trade during the 1980s, with then experiencing some stabilization from around 1990 to 2005, followed by some minor improvements. Overall, Egypt's terms of trade are still much lower today than they were four decades earlier, and hence, an argument could be made that Egypt did suffer from decreasing terms of trade. The same is however not the case for Tunisia, where despite some short-term volatility, the terms of trade have overall remained relatively stable.

¹² Observatory of Economic Complexity (OEC) (2022a).

¹³ Larsen (2019), p. 20.

¹⁴ This paragraph is based on Chapter 12 of Todaro and Smith (2015).

Figure 9: Terms of Trade of Egypt and Tunisia, 1980-2018



Source: Created by author based on World Bank (2021).

VI. Conclusion

During the last two decades, Egypt and Tunisia have been relatively successful with increasing GDP per capita, but progress with increasing life expectancy has slowed down and literacy rates have stagnated. With regards to trade, both countries have liberalized their trading policies during the last four decades, but Egypt's and Tunisia's shares in world exports have shown an overall declining trend from 1970-2019. Both, the exports to GDP ratio and the imports to GDP ratio have been stagnating in Egypt, while they have been increasing in Tunisia.

Both countries face several ethical concerns related to trade. First, women and girls are smuggled into Egypt and Tunisia for under-age marriage and sexual exploitation. Second, child labor is still a big problem in both countries, making these exports produced with child labor unethical. Egypt's refinement of imported crude petroleum, which is then again exported, cause considerable harm to Egypt's population in terms of environmental consequences resulting from petroleum refinement. Tunisia faces an ethical dilemma of balancing the costs and benefits of COVID-19 restrictions on cross-border trading along its border with Libya. Egypt also experienced declining terms of trade.

Though Egypt and Tunisia have started to address most of these issues, they need to intensify their efforts to make their trade ethical. Through further education, access to clean water and sanitation, and a government working with the people in the interest of the people, Egypt and Tunisia can reverse their declining trends in world export shares and be guiding examples for other Arab countries looking to follow suit.

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For the People or for Yourself? Poverty Reduction Strategies in Nigeria and Tanzania

Brendan Lawlor

Abstract

This article investigates Nigeria’s and Tanzania’s national poverty reduction strategies, putting forth a new perspective that challenges the notion of growth as the driver of development. This research is pertinent because even though Nigeria saw much higher economic growth than Tanzania, Tanzania was more successful in decreasing multidimensional poverty in almost all aspects, explicating that governance structures must also be focused on in the development discourse. In addition to analyzing the government’s poverty reduction programs and their effectiveness to decrease multidimensional poverty in their respective countries, program outcomes and the factors which inhibited poverty alleviation are analyzed through an ethical lens to argue program failure is a moral wrongdoing committed by public officials and a human rights violation.

I. Introduction

Poverty has reared its ugly head ever since the dawn of human civilization. Societies of the past, present and future always have, and will continue to be stratified into dichotomous groups of the “have nots” and the “haves”. People and society ascribe the epithet of “poor person” to people such as Uzoamako Ndugo of Nigeria, who sells bottlecaps to provide for her five children.¹

This article is centered around exploring the effectiveness of government poverty reduction efforts in reducing multidimensional poverty. The analysis utilizes two case studies—Nigeria and Tanzania—to identify the government programs instituted to address domestic poverty and their effectiveness to lift citizens out of multidimensional poverty. Since a high prevalence of poverty reflects a deep injustice, poverty must be considered in the context of ethics.² As such, this article adopts an ethical framework that views government programs as products of specific ethical perspectives of the citizenry and portrays a program’s success or failure at lowering domestic poverty rates as an ethical issue.

¹ Obiezu (2019).

² Barrientos et al. (2016), p. 6.

This article is structured into six sections. Following this introduction, the next section consists of a brief literature review of eminent research describing Nigeria's and Tanzania's poverty reduction programs, their effectiveness, and their moral dimensions. Following this is a compendious section describing the socio-economic background of Nigeria and Tanzania. Next, Section IV compares and contrasts the trends of multidimensional poverty in Nigeria and Tanzania. An ethical analysis then explores two aspects the poverty reduction programs: the ethical foundations of the policies and the ethics of government failure due to corruption. Lastly, there is a concluding paragraph to wrap up the discussion and to advance recommendations to augment program effectiveness.

II. Literature Review

Development practitioners, economists and academics alike have spilled copious amounts of ink in their attempts to explore the Tanzanian and Nigerian poverty reduction programs and their accompanying ethical implications. Ewhrudjakpor (2008), Egbue (2009) and Kolawole (2021) provide a comprehensive understanding of these programs in Nigeria, while the Government of the United Republic of Tanzania's 2020 Poverty Reduction Strategy Paper and Magombeyi and Odhiambo (2016) describe and examine Tanzania's poverty reduction strategies.

- Ewhrudjakpor (2008) provides a broad overview of how multidimensional poverty manifests in Nigeria through the lived experiences of the rural and urban citizenry. The author provides insight into the factors that influenced fluctuating poverty rates throughout the country's history and uses this historical approach to explain the extent of Nigeria's contemporary poverty. Ewhrudjakpor (2008) advances a conceptual framework of poverty that argues that people living in poverty are trapped in a culture of poverty, while also exploring oil's role in exacerbating income inequality in Nigeria.
- Egbue (2009) argues that poverty reduction efforts depend largely on the political and economic elites' perceptions of poverty reduction because they are in charge of spearheading such programs. As such, Egbue (2009) argues that the elites are squarely responsible for the ineffectiveness of poverty reduction programs in Nigeria. Egbue supports the notion that public officials not acting to ameliorate poverty rates but instead to enrich themselves is a moral failing.
- Kolawole (2021) summarizes Nigeria's poverty reduction programs and their main components. This study's motivation is to understand better why poverty rates remain so high given these attempts. She found that the Nigerian government's policies focused primarily on growth, basic needs and rural development, while advancing the argument that these policies failed to lower poverty rates because they were primarily supply-driven, disabling them from meeting the needs of the poorest. She ends by urging the international community to aid in elite capture prevention in order to target the poor mostly effectively.
- Tanzania's 2000 Poverty Reduction Strategy (PRS) provides a broad understanding of both multidimensional poverty and poverty reduction programs in Tanzania. The Tanzanian government wrote this PRS paper through a participatory process of civil society groups and development partners such as the International Monetary Fund (IMF) and World Bank in order to describe Tanzania's macroeconomic and social policies to reduce poverty. As such, this is an indispensable resource as it explains the causes and effects of poverty in Tanzania, the

government's goals as they relate to multidimensional poverty and its strategies to obtain those objectives.³

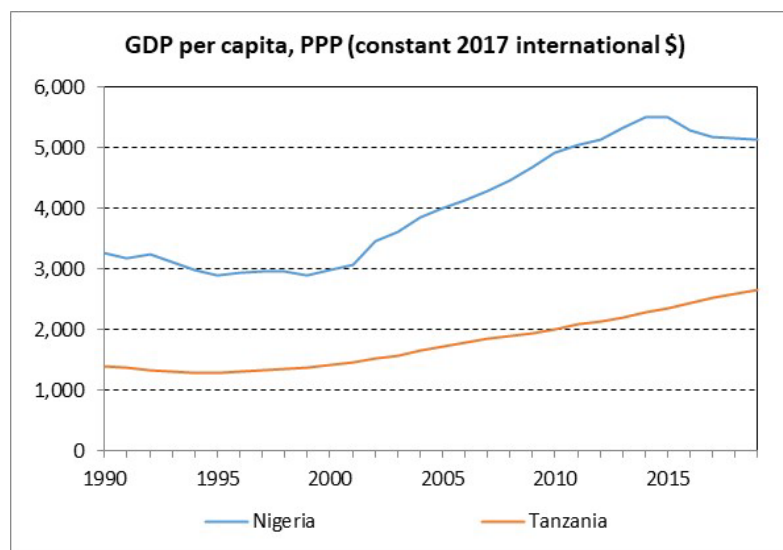
- Magombeyi and Odhiambo (2016) explore Tanzania's poverty and poverty reduction strategies from 1980-2013. The research largely focuses on the Second National Strategy for Growth and Reduction of Poverty, commonly referred to as Mkukuta II, which was implemented during fiscal years 2011 and 2015. Magombeyi and Odhiambo (2016) fill in the gaps the 2000 PRS paper left, providing the framework for why poverty reduction strategies should be pursued. They also provide an overview of the specific strategies Tanzania has implemented up to 2013 and how poverty trends have reacted to these policies and the larger social, political and economic context. They end with highlighting several challenges that hinder Tanzania from further decreasing its poverty rates.

III. Socio-Economic Background

To understand the endemic disease of poverty in Nigeria and Tanzania, it is useful to establish a foundational understanding of their socio-economic environment. This article examines this environment by reviewing the evolution of GDP per capita, live expectancy and literacy rate.

Figure 1 shows that in 1990, Nigeria started at a far higher GDP per capita level than Tanzania. Nigeria's GDP per capita increased from \$3,259 in 1990 to \$5,135 in 2019, while in Tanzania's GDP per capita increased from \$1,392 in 1990 to \$2,660 in 2019. While Nigeria's GDP per capita has increased more than Tanzania's in absolute values, in relative terms, Tanzania's increased more. Tanzania experienced gradual but consistent growth since 1994, while Nigeria's GDP per capita plateaued between 1995 and 1999, increased sharply between 1999 and 2014 to reach a peak of \$5,514, plateaued again in 2015, and then decreased to \$5,135 in 2019.

Figure 1: PPP-adjusted GDP per capita in Nigeria and Tanzania, 1990-2019

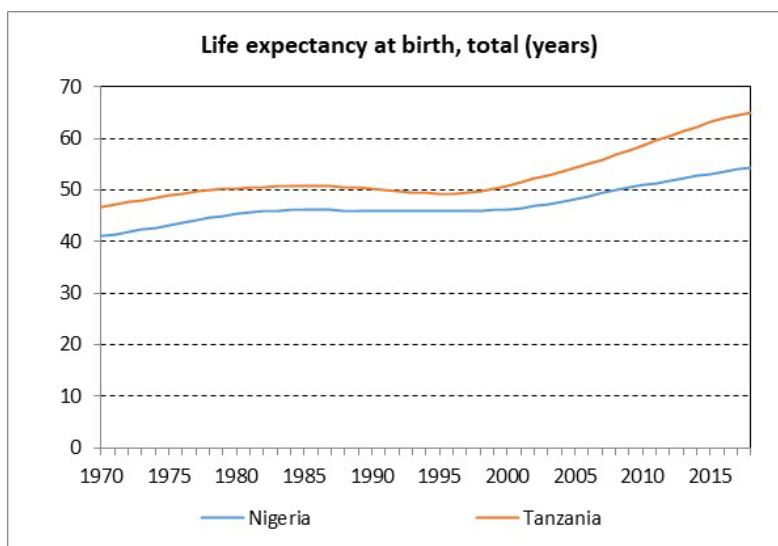


Source: Created by author based on World Bank (2021).

³ Mbilinyi and Nyoni (2000).

Despite Tanzania's far lower GDP per capita, Figure 2 shows that Tanzania always had higher levels of life expectancy during 1970 to 2018. While the trends in life expectancy are similar for the two countries for most of the years, Tanzania has experienced far more gains during the last decade. In 1970, Tanzania's life expectancy was 5.8 years higher than Nigeria's, while in 2018 it was 10.7 years more. It is impressive to note that Tanzania's life expectancy is 3.01 years higher than the average lifespan in all developing countries, but it is still 12.0 years lower than the average of the developed world.⁴

Figure 2: Life Expectancy at Birth in Nigeria and Tanzania, 1970-2018



Source: Created by author based on World Bank (2021).

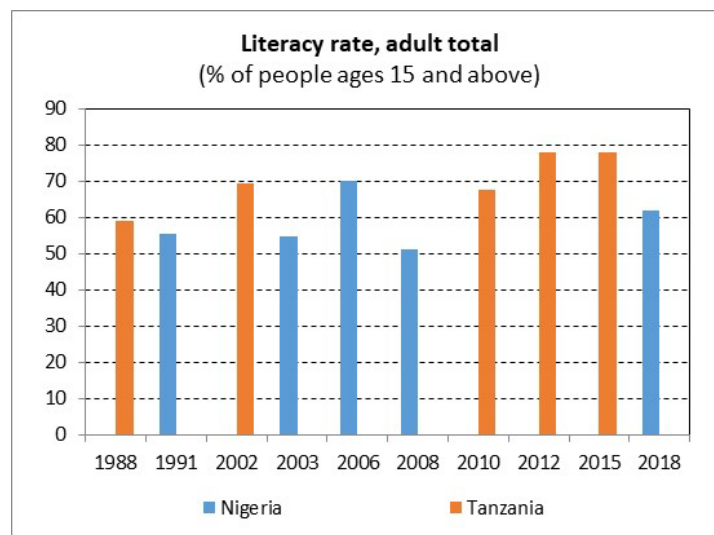
According to Iheonu and Urama (2019), poverty has significantly affected education achievements in Nigeria and has impeded an increase in their literacy rates. However, Tanzania has seen an expansion of education at all levels—evidenced by an increase of 1,114,344 schools within just five years—allowing Tanzania to achieve a literacy rate uncommon in developing countries.⁵ Figure 3 elucidates these realities, showing that in 2015, 77.9 percent of Tanzanians could read and write—an increase of 18.8 percentage points over a span of 27 years—while in Nigeria, only 62.0 percent of Nigerians could read and write in 2018—an increase of only 6.5 percentage points over the same time. In other words, Tanzania's literacy rate increased 12.2 percentage points more than Nigeria's literacy rate for the years such data is available.

Tanzania's literacy rate was overall also more consistent compared to Nigeria's. While Tanzania experienced periods of increase and then plateauing, it never sharply increased and then immediately decreased like Nigeria's. While Tanzania's higher literacy rates are consistent with Tanzania's higher life expectancy, it should be pointed out that Tanzania's higher literacy rates are inconsistent with Tanzania's far lower GDP per capita, despite having corrected GDP per capita for differences in prices across the two countries.

⁴ Government of the United Republic of Tanzania, Ministry of Finance and Economic Affairs (2010).

⁵ Government of the United Republic of Tanzania, Ministry of Finance and Economic Affairs (2010).

Figure 3: Adult Literacy Rates in Nigeria and Tanzania, all available years



Source: Created by author based on World Bank (2021).

IV. Analysis of Facts

There is broad agreement today, that poverty is a multidimensional phenomenon. One of the World Bank’s definitions of poverty is the “inability to attain a minimal standard of living, interpreted to include not only consumption of food, clothing and shelter, but also access to education, health services, clean water and so on.”⁶ Reflecting the multidimensionality of poverty, the first subsection examines the evolution of income poverty, while the second subsection explores access to health, education, and other basic infrastructure.

IV.1. Evolution of Income Poverty in Nigeria and Tanzania

Figure 4 shows the percentage of the population that lives in extreme poverty for all the years such data are available, quantified as living on less than \$1.90 a day. It shows that Tanzania achieved greater success at decreasing extreme poverty rates compared to Nigeria, even though Nigeria had a lower extreme poverty rate in 2018 than Tanzania had in 2017. While it is true that 49.4 percent of the population were still living in extreme poverty in Tanzania in 2017, this is a decrease of 36.8 percentage points from its high of 86.2 percent in 1994. On the other hand, Nigeria decreased its extreme poverty rate by only 26.2 percentage points (from its high of 65.3 percent in 1996 to 39.1 percent in 2018).

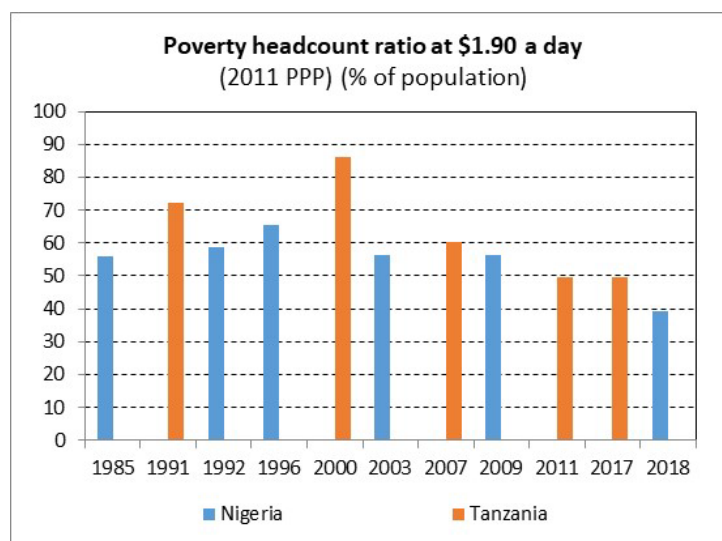
The extreme poverty rates did not follow a similar trajectory. Nigeria’s extreme poverty increased steadily from 1985 to 1996, which had been allotted to the Structural Adjustment Program that was instituted to deal with the country’s macroeconomic instability created partly from an oil price shock.⁷ It then decreased from 1996 to 2003, increased marginally from 2003 to 2009, and then decreased again from 2009 to 2018. On the other hand, Tanzania experienced three distinct eras of changes in extreme poverty: first sharply increasing poverty from 1991 to 2000, which has been explained by severe droughts that engendered deleterious economic conditions “never experienced

⁶ Lötter (2011), p. 39.

⁷ Duze, Mohammed and Kiyawa (2008), p. 47.

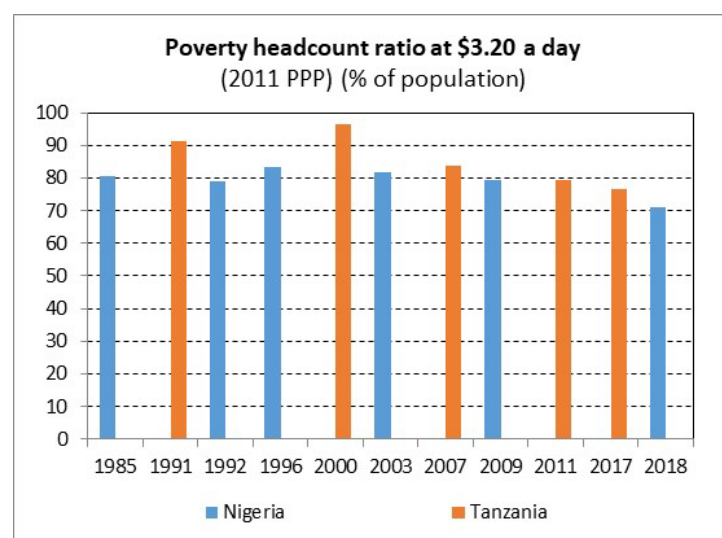
in recent decades.”⁸ Second, Tanzania’s extreme poverty then decreased strongly from a high of 86.2 percent in 2000 to 49.6 percent in 2007, which had been explained partly by the government addressing “poverty as a major policy concern” through the National Poverty Eradication Strategy (NPES).⁹ Third, Tanzania’s extreme poverty rate then plateaued between 2001 and 2017. Figure 4 shows that while extreme poverty has overall been reduced in Tanzania and Nigeria since 1985, it still affects 49 percent of Tanzanians and 39.1 percent of Nigerians, explicating that this is one of the most pressing issues facing the two governments.

Figure 4: Percentage of People Living Below \$1.90 a Day, all available years



Source: Created by author based on World Bank (2021).

Figure 5: Percentage of People Living Below \$3.20 a Day, all available years



Source: Created by author based on World Bank (2021).

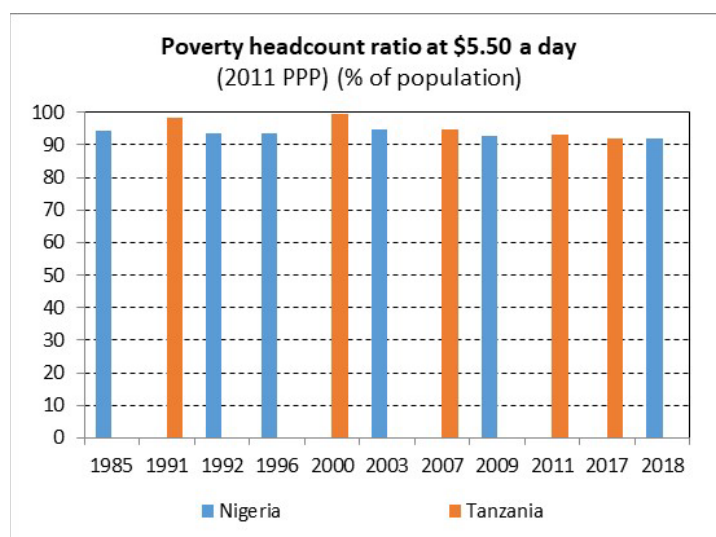
⁸ Government of the United Republic of Tanzania, Ministry of Finance and Economic Affairs (2010).

⁹ World Bank (2019).

Figure 5 details the percentage of people living on less than \$3.20 a day in Tanzania and Nigeria, showing once again that Tanzania has been more successful than Nigeria in decreasing this poverty measure. While Nigeria's poverty rate has mostly fluctuated around the 70 percent and 80 percent mark—measuring 83.4 percent at its worst in 1996 and 71 percent at its best in 2018—Tanzania decreased its rate from its worst of 96.3 percent in 2000 to 76.8 percent in 2018. While Tanzania started and ended with higher poverty rates compared to Nigeria, it lowered its rate by 19.5 percentage points, while Nigeria decreased its rate by only 12.4 percentage points. While Nigeria and Tanzania have made overall progress since 1985 in reducing the percentage of people living in poverty, 76.8 percent of Tanzanians and 71 percent of Nigerians still live in poverty using the \$3.20 threshold.

Figure 6 displays the percentage of Nigerians and Tanzanians who live below \$5.50 a day, showing that Tanzania had always a higher poverty rate than Nigeria, except in 2018. As Figure 6 shows, Tanzania achieved far greater success than Nigeria in lowering poverty rates within this threshold, decreasing by 7.6 percentage points from its high of 99.4 percent in 2000 to its low of 91.8 percent in 2018, while Nigeria's percentage of people living below \$5.50 a day decreased by only 2.9 percentage points from its high of 94.9 percent in 2003 to its low of 92.0 percent in 2018.

Figure 6: Percentage of People Living Below \$5.50 a Day, all available years



Source: Created by author based on World Bank (2021).

While there is some consistency in trends across these three poverty headcount ratios, there also are some differences. For example, the \$1.90 a day indicator and the \$5.50 a day indicator show more volatility than for the \$3.20 a day indicator for both countries. Furthermore, while Nigeria's percentage of people living below \$1.90 a day was always lower than Tanzania's percentage of people living below \$1.90 a day for comparable years, Nigeria and Tanzania had the same percentage (79.5 percent) of their people living below \$3.20 a day in 2009 and 2011, respectively. With regards to the \$5.50 a day indicator, Nigeria's poverty rate was always lower than that of Tanzania's, except that Nigeria's poverty rate was higher than that of Tanzania's for the most recent years such data is available, 2017 for Nigeria and 2018 for Tanzania. These differences in poverty across these three poverty headcount ratios indicate that poverty has evolved differently

for the two countries at different poverty levels. Before explaining these differences in income poverty by different policies and programs, the next subsection first reviews some other indicators to better understand the multidimensionality of poverty.

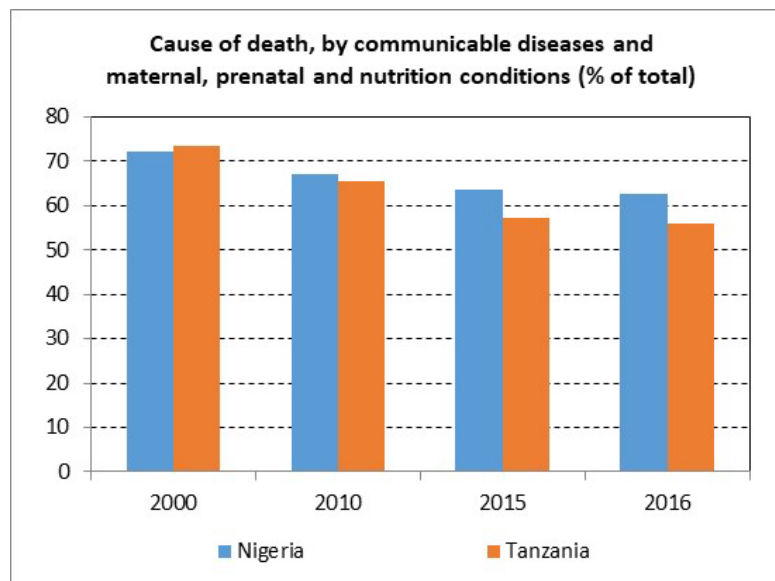
IV.2. Lack of Access to Basic Services

IV.2.a. Health

Good health is central to obtaining market opportunities.¹⁰ Having poor health is a critical component of multidimensional poverty. A person living in poverty is more likely to experience ill health and be excluded from medical services because they lack the funds necessary to purchase the essentials for obtaining good health, such as quality healthcare, or because they lack information on “health-promoting practices”.¹¹ At the same time, poor health is contributing to income poverty. In this article, the role of poor health is examined by reviewing the percentage of deaths caused by communicable diseases and maternal, prenatal and nutritional conditions.

Figure 7 shows that fewer percentages of people die in Tanzania than in Nigeria because of poor health. While both countries were around the 72 percent mark in 2000, Tanzania decreased their rate by 17.7 percent to 55.8 percent, while Nigeria only decreased its rate by 9.4 percent to 62.7 percent. Both countries followed a similar path until 2010, when Tanzania decreased its death rate from these causes more rapidly than Nigeria. Overall, Tanzania decreased their death rate by 8.3 percent more than Nigeria.

Figure 7: Percentage of Deaths Caused by Communicable Diseases and Maternal, Prenatal and Nutritional Conditions



Source: Created by author based on World Bank (2021).

Researchers have argued that Nigeria’s health system is worse than Tanzania’s, with the World Health Organization (WHO) labeling Nigeria’s health system 187th among the 191 member

¹⁰ World Bank (2000).

¹¹ World Bank (2014).

states.¹² Tanzania's investments in healthcare, combined with their investments in education have improved their human Development Index ranking, decreasing a total of 12 points between 2000 and 2009 and placing Tanzania into the mid-human development group.¹³

One of the reasons for the high death rates in Nigeria is because of a dearth of state healthcare infrastructure, as is, for example, evidenced in Ebonyi State, Nigeria, where “most of the people [are] dying of preventable diseases”. Since bad health is an aspect of multidimensional poverty, as states improve their healthcare systems and work to decrease the number of people dying from preventable diseases, they will also decrease the prevalence of multidimensional poverty within their countries.

IV.2.b. Education

The Multidimensional Poverty Index includes access to quality education as one of the leading indicators of multidimensional poverty because poverty and education are inextricably linked.¹⁴ Poverty is defined in part of a lack of opportunity to escape the cycle of poverty that they are trapped in, and because promoting opportunity is centered on material opportunities, education is a key dimension of poverty.¹⁵ Furthermore, enrollment rates illuminate the extent of poverty rates in a country because they show the percentage of people who have the funds to buy uniforms, books, school supplies and who can afford to lose the income they would receive from having their son or daughter work.¹⁶

Figure 8 depicts the gross enrollment ratio of primary education—that is the percentage of total enrollment among the population of eligible primary students.¹⁷ This graph shows that while both Nigeria's and Tanzania's enrollment ratios increased, Tanzania was more effective at increasing theirs. For example, in 1970, Tanzania's enrollment ratio was 34.0 percent while Nigeria's was 40.9 percent, but in 2019 Tanzania's enrollment ratio was 98.8 percent (an increase of 64.8 percentage points) and Nigeria's was 84.7 percent (an increase of only 43.8 percentage points). In other words, Tanzania increased its enrollment ratio by 21.0 percentage points more than Nigeria.

Figure 8 also shows that both countries experienced inconsistent and uneven trajectories, with Nigeria's appearing more erratic, alluding to the fact that enrollment ratios can easily be subject to economic or social forces. People are poor because they do not have access to high incomes, but also because they lack access to high-quality education. As more poor people attend primary education, their chances of escaping poverty are increased. Since lacking access to education is a primary component of multidimensional poverty, analyzing enrollment rates illustrates how prevalent multidimensional poverty is in Tanzania and Nigeria. In addition to food insecurity and access to quality education, other aspects of multidimensional poverty deserve attention.

¹² Ewruhadjakpor (2008), p. 526.

¹³ Government of the United Republic of Tanzania, Ministry of Finance and Economic Affairs (2010), p. 10.

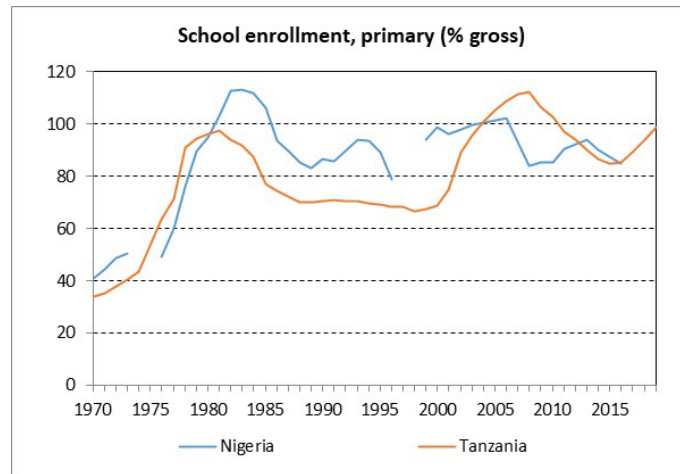
¹⁴ Child Fund (undated).

¹⁵ World Bank (2000).

¹⁶ Child Fund (undated).

¹⁷ The fact that some students still attend primary school even though they passed the primary school age (like due to late enrollment and repeating classes) explains why this percentage can be above 100 percent. We use this indicator instead of net primary school enrollment due to the severe data gaps for net primary school enrollment.

Figure 8: Gross Primary School Enrollment (percent), all available years

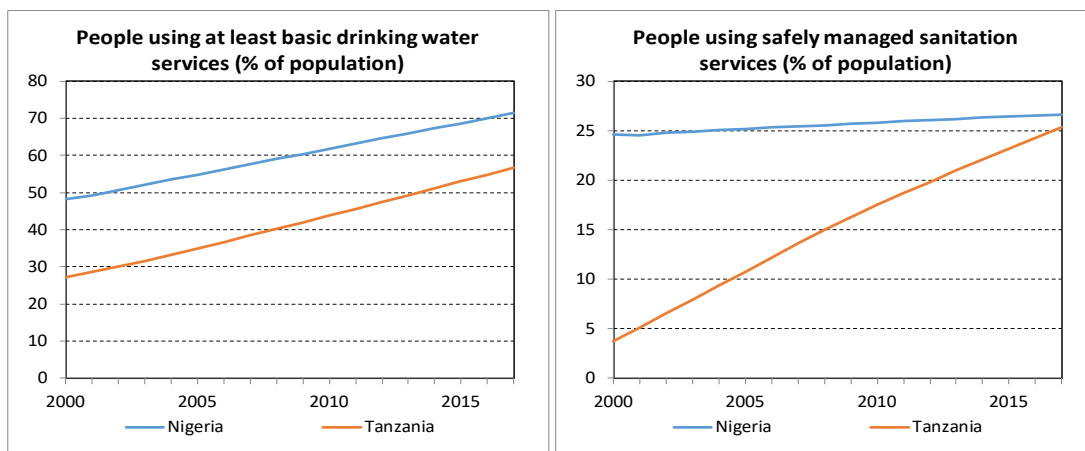


Source: Created by author based on World Bank (2021).

IV.2.c. Access to Water, Sanitation and Electricity

Besides many other factors, poverty is also influenced by not having access to basic infrastructure, such as water, sanitation and electricity. Figures 9 and 10 depict the percentage of Nigerians and Tanzanians who have access to basic drinking services, and the percentage of citizens who use safely managed sanitation services. Even though Nigeria had petrodollars since 1975 to guarantee this basic human right to its population,¹⁸ 28.6 percent of Nigerians still lack access to basic water services, and 73.35 percent do not have access to safely managed sanitation services. Using fewer financial resources but better governance structures, Tanzania was able to increase access to safe drinking water 6.2 percentage points more than Nigeria and increase access to safely managed sanitation services 19.6 percentage points more than Nigeria.

Figures 9 and 10: Percentage of Population Using at Least Basic Drinking Water Services and Safely Managed Sanitation Services, 2000 to 2017

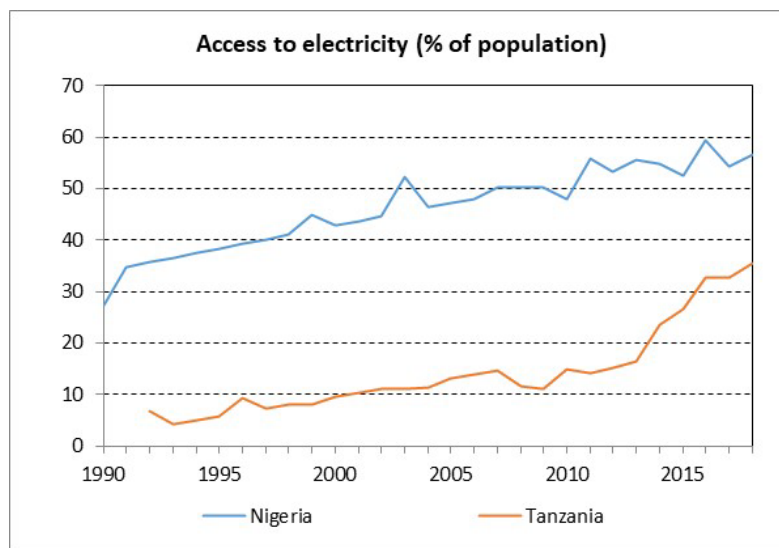


Source: Created by author based on World Bank (2021).

¹⁸ Ewruhjakpor (2008), p. 529.

As stated by Ritchie and Roser (2020, first paragraph), electricity is “crucial for poverty alleviation, economic growth and improved living standards.” Similarly, the World Bank (2018) states that lacking access to electricity acts as a barrier in achieving progress in other development indicators, such as education, health, and gender equality. Figure 11 depicts the percentage of the population that does not have access to electricity, showing that Tanzania has never achieved access to electricity above 50 percent while Nigeria achieved this goal in 2011. Since 1990, Nigeria has increased its access to electricity by 29.2 percentage points, slightly beating Tanzania, which increased its rate by 28.8 percentage points. Nigeria’s trajectory was overall slightly more linear since Tanzania did not really start to see an increase until 2009, even though Nigeria’s trajectory can be characterized as having several peaks and valleys. In Tanzania, since only about a third of the population has access to electricity, most of the citizenry depends on firewood as their main source of energy, putting the burden on women and girls instead of the state.¹⁹

Figure 11: Percentage of Population Having Access to Electricity, all available years



Source: Created by author based on World Bank (2021).

The aforementioned graphs and analysis elucidate that poverty in Nigeria and Tanzania is a multidimensional social, political, economic, and psychological ailment. Poverty is exhibited through monetary deficiencies, inadequate access to health, education, and basic infrastructure. The Human Development Report 2000 stated that “[t]he mark of all civilizations is the respect they accord to human dignity and freedom,”²⁰ and since decreasing poverty secures freedom and advances human dignity, the mark of any society can be its efforts to reduce poverty.

The citizens of Tanzania and Nigeria prioritize the reduction of multidimensional poverty, with a specific focus placed on increasing access to services instead of decreasing income poverty. In Afrobarometer (2017) survey for Tanzania, 62 percent of respondents said the most important thing was for the government to improve access to social services, such as education, healthcare, and electricity. Tanzania’s high importance placed on social services could stem from the 1967

¹⁹ Mbilinyi and Nyoni (2000), p. 7.

²⁰ United Nations Development Programme (UNDP) (2000), p. 1.

Arusha Declaration, which “affirmed that the basis of socialism is people and the purpose of socialism is to serve people,” institutionalizing the notion among the citizenry that the government works for the people.²¹

Based on a survey by Afrobarometer (2020) in Nigeria, 41.9 percent said their main concern was for the government to provide more social services, and while this is about 20 percent lower than in Nigeria, it was by far the biggest concern among Nigerians for the government to address. A background study for the 2000/2001 World Development Report found that six out of the eight most important problems facing urban and rural Nigerians living in poverty were increasing access to social services, while the other two were decreasing unemployment and increasing agricultural inputs.²²

V. Ethical Analysis

Ethics is inherently linked to poverty reduction because decreasing poverty is an ethical act that ameliorates a profound injustice being committed against humanity.²³ People living in poverty are disabled from their quest “to live a life worthy for humans as defined by society.”²⁴ As such, poverty reduction strategies need to be analyzed within an ethical framework. Specifically, the framework argues that the ethical perspectives the citizenry holds influences and informs the priority and scope assigned to poverty reduction.²⁵ Thus, through analyzing the ethical perspectives of Nigerians and Tanzanians, a rationalization for why their respective governments pursued specific policies can be realized.

This section is structured into two sub-sections. The first sub-section examines how the utilitarian, priority and sufficiency perspectives were reflected in Nigeria’s and Tanzania’s poverty reduction programs and policies. The second sub-section examines why despite the reflection of these three perspectives in Nigeria’s and Tanzania’s poverty reduction policies, Nigeria’s poverty reduction programs largely failed, while Tanzania’s programs were largely successful.

V.1. Utilitarian, Priority and Sufficiency Perspectives of Poverty Reduction

As Barrientos et al. (2016, p. 9) argue, the social norm of assisting people living in poverty “can be justified on the basis of multiple ethical perspectives”. One justification can be rooted in an ethical perspective “based on the principle that social arrangements and institutions should maximize happiness in a society.”²⁶ This justification reflects the utilitarian perspective of poverty reduction. Another justification can be based on an understanding that “benefits to the worst off have a higher ethical value than benefits to the better off.”²⁷ This justification reflects the priority perspective of poverty reduction. A third justification can be based on the moral principle that “every individual must be helped to a certain threshold in order to survive”.²⁸ This justification reflects the sufficiency perspective of poverty reduction. These three different justifications and perspectives have different policy implications.

²¹ World Bank (2019).

²² Ayoola et al. (2000).

²³ Barrientos et al. (2016), p. 6.

²⁴ Lötter (2011), p. 59.

²⁵ Barrientos et al. (2016).

²⁶ Barrientos et al. (2016), p. 9.

²⁷ Barrientos et al. (2016), p. 9.

²⁸ Barrientos et al. (2016), p. 9.

The utilitarian, priority and sufficiency perspectives influenced the design and implementation of policies addressing poverty within Nigeria and Tanzania. Concerning the utilitarian approach first, this perspective supports policies that target individuals or households through cash-transfer programs. Nigeria instituted cash-transfer programs under the Vulnerable Groups Livelihood Investment Grants Program from July 2008 through December 2013, and the Conditional Cash Transfer Program that was created in 2016,²⁹ while Tanzania provides temporary relief to vulnerable and needy groups under the Tanzania Social Action Fund created in 2010 as part of the second cluster of Mkukuta II.³⁰

Concerning the priority perspective, some of Nigeria's and Tanzania's poverty reduction policies targeted the rural poor (which constitute the majority of the poor in Nigeria and Tanzania) and the agriculture sector (which remains the poor's largest employer).³¹ To accomplish this, the Nigerian government created the Accelerated Food Production Program in 1972, the Green Revolution Program in 1979, and the Directorate for Food, Roads and Rural Infrastructures in 1986.³² In Tanzania, the government passed the Agricultural and Livestock Policy of 1997, and created the Tanzania Social Action Fund in 2010 to expand the social safety net.³³ Hence, it can be concluded that these ethical perspectives are embedded in Nigeria's and Tanzania's poverty reduction strategies.

Some programs were also evident in Nigeria and Tanzania reflecting the sufficiency perspective. In Nigeria, such programs include the Free and Compulsory Primary Education Program (which was established in 1977 to provide free and compulsory education to children ages 5-14), the Low-Cost Housing Scheme (which was created through presidential mandate to provide 18,000 units of affordable housing by the end of 2006), and the School Meals Programme (which was created in 2016 with the intent of decreasing food insecurity rates by providing free school lunches to adolescents).³⁴ In Tanzania, the second cluster of Mkukuta II created poverty alleviation policies that increased the availability of basic services such as education, health, water and sanitation.³⁵

However, as stated in Mbilinyi and Nyoni (2000, p. 20), these sectoral policies and strategies designed to alleviate aspects of multidimensional poverty did not specifically target people living in poverty in Tanzania. The same can be concluded for the various Nigerian programs to which were referred above. It has been argued that these policies were designed to only establish a certain basis of welfare level instead of eradicating poverty.³⁶

V.2. Egalitarian Moral Principle and Corruption

Despite the "plethora of anti-poverty programs and policies over the years in Nigeria" there are still millions living in poverty and excluded from social services, which are taken for granted in wealthy countries.³⁷ Nigeria's poverty reduction efforts are widely regarded as a failure, with some analysts going so far as to label Nigeria a "crippled giant" and a "colossal collection of

²⁹ Federal Government of Nigeria (2016).

³⁰ Magombeyi and Odhiambo (2016).

³¹ Duze, Mohammed and Kiyawa (2008), p. 58 and Shuaibu (2017).

³² Kolawole (2021).

³³ Magombeyi and Odhiambo (2016).

³⁴ Kolawole (2021).

³⁵ Magombeyi and Odhiambo (2016) and Mbilinyi and Nyoni (2000).

³⁶ Barrientos et al. (2016), p. 14.

³⁷ Jaiyeola and Bayat (2020) p. 187.

impoverished masses.”³⁸ On the other hand, Tanzania has achieved the highest quality of life indicators among low-income countries in Sub-Saharan Africa due to the government’s efforts to improve living conditions, resulting in a sustained increase in access to basic services and improvement in human capital outcomes.³⁹ Tanzania was able to achieve greater comparable success than Nigeria because their policies were promulgated from an additional ethical foundation that Nigeria lacked: the egalitarian moral principle.

This principle states that just institutions are needed to “ensure all citizens access to basic resources on an equal basis.”⁴⁰ This principle was evident in Tanzania’s poverty reduction policies, primarily Cluster III of Mkukuta II, which emphasized improved accountability and governance issues. More specifically, Cluster III of Mkukuta II focused on improving “public service delivery to all, especially to the poor and vulnerable” and on ensuring systems and structures of governance that “uphold the rule of law and are effective, accountable, transparent, and corruption-free.”⁴¹ As Nigeria did not include this ethical perspective in their policies, their poverty reduction efforts were marred by corruption, fueled by their abundant natural resources, inhibiting them from actually decreasing poverty rates in Nigeria.⁴²

A plethora of authors from multiple disciplines have identified corruption as the primary reason why Nigeria’s poverty reduction programs have failed.⁴³ The corruption and rent-seeking by public officials or private interests able to capture the state diverted public funds earmarked for poverty reduction programs, defunding programs before they even had the chance to make a difference. Corruption has been an endemic problem in Nigeria.⁴⁴ For example, between 1960 and 1999, public officials stole more than \$500 million and diverted \$20 trillion from the Treasury between 1960 and 2005.⁴⁵ Public officials and private businesses have diverted this funding “to the detriment of the Nigerian people.”⁴⁶

As the currently eleventh most corrupt nation in the world according to Transparency International (2020), corruption can be described not as a part of government, but as the object of government.⁴⁷ According to Oxfam International (2017), the misallocation, misappropriation and ill-use of funds have perpetuated and exacerbated poverty rates in Nigeria. On the other hand, Tanzania ranks 94th in Transparency International’s Corruption Perception Index 2020. Important progress has been made under Tanzania’s National Framework on Good Governance, such as investigating 706 public employees for corruption, and streamlining public service delivery to decrease the opportunity for corruption.⁴⁸ Tanzania’s far lower level of corruption helped making their poverty reduction programs overall successful, while Nigeria’s level of corruption inhibited Nigeria from lifting millions out of poverty.

³⁸ Agbibo (2012), p. 325.

³⁹ Mbilinyi and Nyoni (2000) and World Bank (2019).

⁴⁰ Barrientos et al. (2016), p. 12.

⁴¹ Government of the United Republic of Tanzania, Ministry of Finance and Economic Affairs (2010), p. 83 and p. 82, respectively.

⁴² Shuaibu (2017).

⁴³ Akinyetun et al. (2021), p. 27.

⁴⁴ Ewhrudjakpor (2008), p. 526.

⁴⁵ Agbibo (2012), p. 335; and World Bank (2019).

⁴⁶ Jaiyeola and Bayat (2020), p. 199.

⁴⁷ Agbibo (2012), p. 330.

⁴⁸ Government of the United Republic of Tanzania, Ministry of Finance and Economic Affairs (2010), p. 19 and p. 86, respectively.

Nigeria's failure, which is largely due to corruption, represents a serious moral failure. The Nigerian government acted unethically due to its rampant corrupt behavior because corruption is a "breach of moral behavioral norms and values".⁴⁹ Public officials understand that their actions either improve someone's life or harm it, so by choosing to actively divert funds into their pockets, they understood others would suffer, thus proving they acted immorally by partaking in corruption.⁵⁰ Pete Alcock and Jo Roll support this claim when proposing a definition of ethics that has an imperative "to act to relieve or eradicate someone's poverty" because poverty is an "avoidable suffering" where onlookers "cannot just stand by and watch".⁵¹ This means that the obligation to help people in poverty extends beyond public officials.

The ethical mandate for poverty reduction is further advanced when it is combined with the social contract. The social contract is an idea in political philosophy where there is an actual or hypothetical compact between the ruled and their rulers, where the rights and duties of each are defined. According to such social contract theory, public officials have a moral obligation to wield their power to ameliorate poverty rates in order to act accordingly to the liberty and *volonté générale* found in Rousseau's social contract.⁵² Public officials are at "the very core of the poverty question"⁵³ because they are central to the formulation and implementation of poverty reduction measures, but instead of championing this obligation, it was jettisoned for selfish gain.

Furthermore, in a democracy, public officials are supposed to reflect society's ethics.⁵⁴ But instead of acting ethically, they undertook immoral behaviors, resulting in the persistence and increase of poverty in Nigeria. Public officials in Nigeria not only jettisoned their personal morals, but also their obligations as public servants, creating "selfish dealings with the governed" instead of abiding by their obligations under the social contract and being the champions of ethical standards for their citizens.⁵⁵ Nigeria's inability to effectively ameliorate poverty rates due to corruption constitutes a serious moral failing not only because of the aforementioned reasons, but also because of the ethical implications of poverty's consequences.

According to Irene Khan (2009), poverty is a human rights violation. Poverty "erodes or nullifies" economic, political, social and civil rights such as the right to health, a fair trial, adequate housing, and security of the person.⁵⁶ Following this definition, Tanzania protected human rights by implementing effective policies to ameliorate poverty rates, while Nigeria violated the human rights of their citizens by having the means to alleviate poverty but diverting them for private benefits. Furthermore, since Nigeria did not have as effective poverty reduction programs as they could have had without corruption, the government consequently allowed the escalation of crime, insecurity, violence, because they failed to adequately address poverty.⁵⁷

Lastly, corruption in Nigeria inhibited the government from decreasing unjustified income inequality. No philosophers—including the likes of Rawls, Nozick, Kant and Rousseau—would

⁴⁹ Huberts (2018), p. 24

⁵⁰ Lötter (2011), p. 27.

⁵¹ Lötter (2011), p. 31.

⁵² Editors of Encyclopaedia Britannica (undated), which defines *volonté générale* as a collectively held will that aims at the common good or the common interest.

⁵³ Egbue (2009), p. 59.

⁵⁴ Huberts (2018), p. 21.

⁵⁵ Ewruhjakpor (2008), p. 529.

⁵⁶ United Nations Human Rights, Office of the High Commissioner (undated).

⁵⁷ See Iheonu and Urama (2019), p. 3; Egbue (2009); and United Nations Millennium Project (2005).

justify the income inequality in Nigeria where in 2009 the poorest half of the population had 22 percent of the wealth,⁵⁸ especially because “the capture of power by economic elites” is “one of the drivers of inequality”⁵⁹ since the economic elites have used stolen public funds meant for poverty reduction programs to enrich themselves further. Because Nigeria’s poverty reduction programs enriched public officials and private interests instead of decreasing poverty rates, it was able to less effectively address the myriad of ethical consequences of poverty compared to Tanzania.

VI. Conclusion

Contrary to Harvard Professor Dani Rodrik (2008, p. 2), who argues that “historically, nothing has worked better than economic growth in enabling societies to improve the life chances of their members,” the juxtaposition of Nigeria’s and Tanzania’s poverty reduction programs elucidates that growth alone, devoid of “explicit poverty reduction strategies and institutional reform,”⁶⁰ will not lift citizens out of poverty. While Nigeria has a much higher GDP per capita than Tanzania, Tanzania has a higher life-expectancy and literacy rates and has been more successful in decreasing all three thresholds for income-poverty, as well as multidimensional aspects of poverty such as undernourishment rates, school unenrollment, and ill health.

The sufficiency, priority and utilitarian ethical perspectives informed the priority the citizenry placed on poverty reduction strategies, as well as the policies the governments adopted. Nigeria’s programs were not effective because they were not undergirded by the egalitarian moral principle as Tanzania’s were, enabling corruption to invade the programs and drastically decrease their effectiveness. Through an ethical perspective, this is seen as a moral failing because public officials and private interests jettisoned their moral obligations for self-enrichment, which in turn exacerbated the moral violations of human rights abuses, water and sanitation scarcity, increased violence, and intensified income inequality.

To ameliorate this moral violation and institute effective poverty reduction programs that enable inclusive growth, Nigeria must reject the culture of corruption that permeates the government. One of the ways to do this would be by institutionalizing a more comprehensive political party system where party leaders can vet candidates to ensure they will not partake in corrupt behavior,⁶¹ or to stop trusting the contemporary political elites as Nobel Peace Prize laureate Wangari Maathai encourages by electing public officials from outside politics.⁶²

But ethical development goes beyond controlling corruption. Louis Joseph Lebreton originated the idea that ethical development must subordinate the attainment of false, extraneous needs in order to “foster human ascent” and attain the enhancement of needs for all.⁶³ Tanzania acted accordingly to this notion of ethical development, while Nigeria strayed from these ideals, getting lost in their oil rents and selfish desires.

⁵⁸ Oxfam International (2017).

⁵⁹ Lötter (2011), p. 50.

⁶⁰ Jaiyeola and Bayat (2020), p. 199.

⁶¹ As referred to in Mainwaring (1998).

⁶² See Agbibo (2012), p. 325 and Monga (1995).

⁶³ As referred to by Astroulakis (2013).

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Stop Tying the Knot: Child Marriage in Malawi and Bangladesh

Grace Mondillo

Abstract

This article explores the prevalence of child marriages in Malawi and Bangladesh. Both countries still have extremely high rates of child marriage despite taking steps to try to end the harmful practice. Malawi formalized legislation in 2017 hoping to end child marriages and Bangladesh has pledged to end these unions by 2041. Additionally, this article analyzes ethical questions relating to child marriage and the cultural, political, and economic reasons for the prevalence of such an institution. While both countries struggle with this issue, each has attempted different solutions and faced different obstacles in their efforts to end child marriages.

I. Introduction

Phumzile Mlambo-Ngcuka, former Under-Secretary-General of the United Nations (UN) and Executive Director of UN Women, is known for having stated that “achieving gender equality is about disrupting the status quo – not negotiating it.”¹ Unfortunately, the status quo is that child marriage is still prevalent in many countries around the world. The UN estimates that worldwide roughly 39,000 girls under the age of 18 are married every day.² The effects that this has on girls are many, including that they lose their opportunity to control their own lives. It is also a violation of these girls’ basic human rights.

Looking at the percentage of girls getting married before age 18, Bangladesh has the eighth highest rate of child marriage in the world, Malawi is ranked tenth.³ Both are developing countries that have tried to implement policies in hopes of eliminating child marriages. However, as will be detailed further below, rates are still high in both countries, with 58.6 percent and 42.1 percent of women getting married before they are 18 years old, respectively in Bangladesh and Malawi.

This article examines how child marriage harms girls and deters progression towards gender equality in Malawi and Bangladesh. It also looks at proven solutions and potential solutions to this problem and explores how child marriage affects other development issues in these countries.

¹ As quoted at: <https://quotefancy.com/quote/1786704/Phumzile-Mlambo-Ngcuka-Achieving-gender-equality-is-about-disrupting-the-status-quo-not>.

² United Nations Office of the Secretary-General’s Envoy on Youth (2013).

³ United Nations Children’s Fund (UNICEF) (2021), Table 12.

Child marriage is highly intertwined with women's rights and its widespread presence is one important factor in perpetuating gender inequality.

This article is structured into six sections. Following this introduction, section II will present a brief literature review of articles relating to the topic of child marriage in both of these countries and around the world. Section III will provide information on the socio-economic background of Malawi and Bangladesh. Section IV will analyze the evolution and history of child marriage as an institution and section V will analyze the subsequent ethical issues and arguments that come with it. The final section will provide conclusions about the arguments presented in the article.

II. Literature Review

As a result of the prevalence of child marriage around the world, there is extensive research done on this issue. Melnikas et al. (2021) and Hayes (2016) focus exclusively on Malawi, though Hayes examines the overall culture and other factors relating to inequality. Kamal (2012) specifically looks at Bangladesh. Varia (2016) focuses on ending child marriage in developing countries all over the globe. Lee-Rife et al. (2012) analyze the solutions to child marriage and reviews what works and what doesn't. All of the above literature provides unique and necessary insight and analysis into the issue of child marriage.

- Melnikas et al. (2021) examine marriage laws and their enforcement in Malawi through qualitative research. The team looked at statistics of child marriage and adolescent childbearing in Malawi and used this to inform a study about marriage laws and how the authorities in Malawi enforce them. This underscores the importance of enforcement of marriage laws as a solution and why certain countries are failing at eradicating the institution. Additionally, one conclusion that was reached was that imposing fines as a solution has failed because it has driven the practice of child marriage underground and could be associated negative effects on young girls. This shows that certain solutions may not actually be effective in practice. It may be necessary to get rid of solutions when they are found to be ineffective.
- Hayes (2016) looks at contemporary Malawian ideas about gender as a vehicle to connect ideas about structural violence, marriage, and sexual landscape. The paper argues that the colonial introduction of labor migration for men and extreme gender inequalities permanently altered gender roles in the country. It examines the differences between pre-colonial and post-colonial Malawi and explains that women had significantly more agency while husbands had very little authority over their wives before colonialism. This is evident of the way in which colonialism led to the destabilization of marriage and many of the societal gender issues seen today in Malawi.
- Kamal (2012) focuses on declines in child marriage and the effect it has had on reproductive outcomes in Bangladesh. The paper found that women who married younger were at much higher risk for serious health problems during pregnancy and that there were significant psychological and health related consequences for women who married younger. Additionally, child marriage has been found to be a barrier to social and individual development and that girls who were able to get educated were much less likely to be married before the age of 18. This shows that there are known solutions that can be implemented in the fight to end child marriage.

- Varia (2016) analyzes Human Rights Watch investigations in Afghanistan, Bangladesh, Malawi, Nepal, South Sudan, Tanzania, Yemen, and Zimbabwe. The outcomes of these investigations show that there are considerable lifelong consequences to child marriage including marital rape, domestic violence, exploitation, and other health problems. However, the paper also explains that there is a newfound global interest in ending child marriage and there is the potential for this to bring about new solutions and resources to help with these issues. This suggests that there is a possibility of a stronger push to end the institution from global influences and that there may be new solutions to address this issue.
- Lee-Rife et al. (2012) look specifically at what solutions are successful in ending child marriage. The article reviews 23 child marriage prevention programs employing a variety of approaches and evaluation strategies in developing countries. It examines how the programs that have been implemented have worked – or not worked and what their limitations were. Programs that had incentives or looked to empower young girls seemed to be the most effective in preventing marriages. This is evident of what efforts are most necessary in preventing the practice of child marriages and where attention needs to be drawn in attempts to implement solutions.

III. Socio-economic Background

Figure 1 shows the purchasing power parity (PPP)-adjusted GDP per capita of Bangladesh and Malawi from 1990 to 2019. It is evident that Bangladesh has seen a steady growth of GDP per capita over this time period, while that of Malawi has increased only slightly. Bangladesh's GDP per capita increased 3.1 times (from \$1,518 in 1990 to 4,754 in 2019), while Malawi's increased only 1.6 times (from \$671 in 1990 to \$1060 in 2019). This shows that Bangladesh is much better off than Malawi is in terms of GDP per capita, largely due to a demographic dividend, a booming garments sector, stable macroeconomic conditions, as well as its geographically strategic location with maritime access.⁴ Malawi, on the other hand is landlocked, with its economy heavily dependent on agriculture, employing nearly 80 percent of the population.⁵ However, both countries are still considered to be poor countries, with 52.5 percent and 89.6 percent of the population living below \$3.20 a day, respectively in Bangladesh and Malawi in 2016.⁶

Figure 2 illustrates the life expectancy of citizens at birth in years in Bangladesh and Malawi from 1970 to 2018. Both countries have experienced relatively steady growth since 1970, with Bangladesh's life expectancy being 46.9 years in 1970 and 72.3 years in 2018, and Malawi's life expectancy being 39.7 years in 1970 and 63.7 years in 2018. However, Malawi's life expectancy exhibits a downturn in the late 1990s and early 2000s. This can be attributed to a series of factors. Reduced funding in the health sector due to much of the government's budget being spent on debt repayment had the unintended consequence of bolstering the prevalence of HIV/AIDS in Malawi, which eventually hit a peak during this time period.⁷

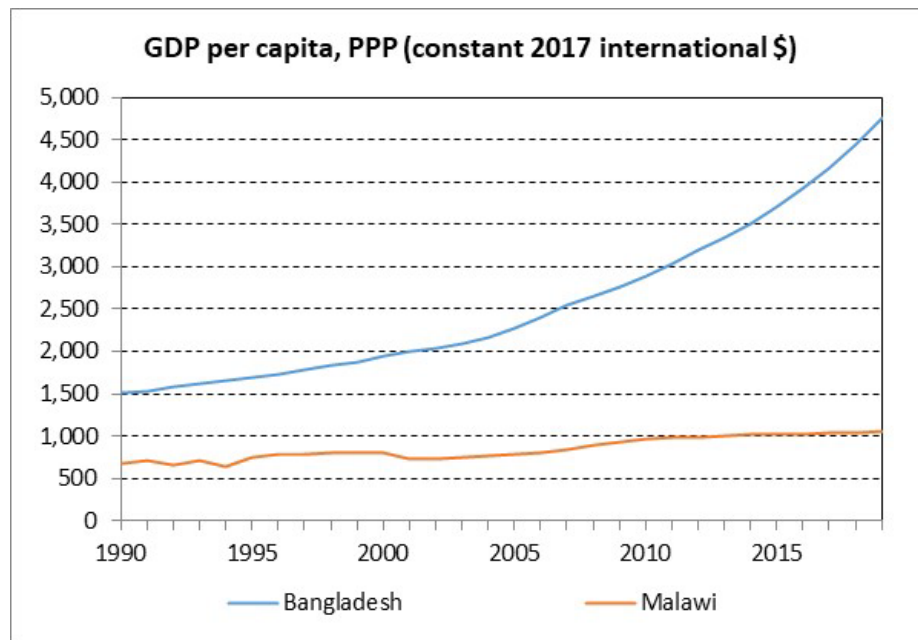
⁴ World Bank (2021b) and Rahmatullah (2013).

⁵ World Bank (2021c) and World Bank (2021a).

⁶ World Bank (2021a).

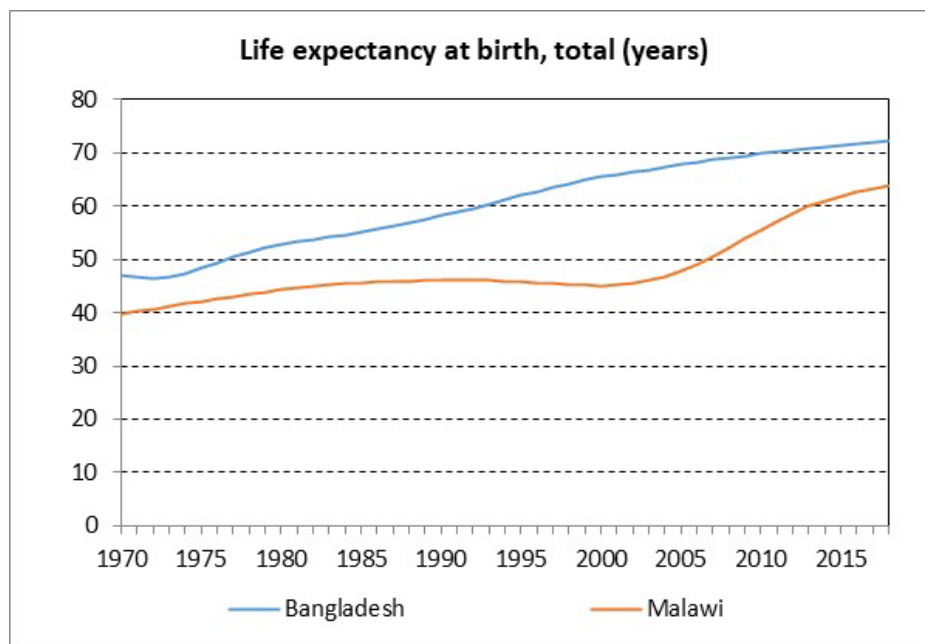
⁷ Matchaya (2007).

Figure 1: GDP per capita, PPP (constant 2017 international \$), 1990-2019



Source: Created by author based on World Bank (2021a).

Figure 2: Life expectancy at birth, total (years) 1970-2018



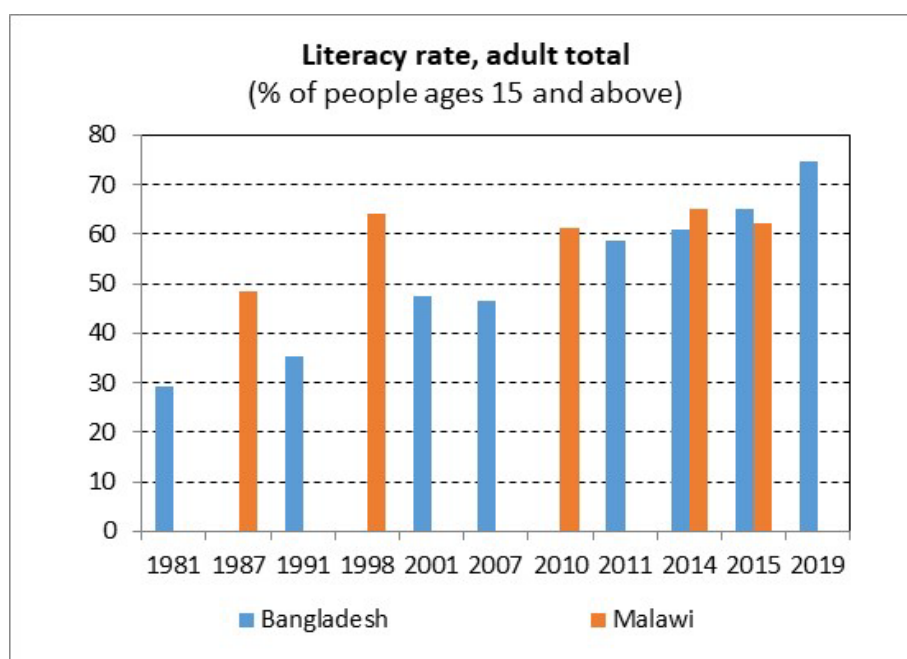
Source: Created by author based on World Bank (2021a).

Figure 3 shows the literacy rate of people aged 15 and above in Bangladesh and Malawi for all available years. Where Bangladesh has seen significant improvements in its literacy rates, being

at 29.2 percent in 1981 and increasing to 74.7 percent in 2019, Malawi has struggled with keeping progress going, improving literacy rates from 48.5 percent in 1987 to a peak of 65.1 percent in 2014, before dropping in 2015 to 62.1 percent.

Bangladesh's much improved literacy rate coincides with a fairly large increase in GDP per capita and steady increases in life expectancy. However, it is hard to pinpoint any specific causes for Malawi's varying literacy rates, besides policy-neglect in the education sector. It is especially troubling that Malawi's literacy rate decreased by 3.0 percentage points from 2014 to 2015, while Bangladesh's literacy rate increased by 4.0 percentage points during the same period.

Figure 3: Adult Literacy Rate (percent of people aged 15 and above), all available years



Source: Created by author based on World Bank (2021a).

IV. Analysis of Facts

This section analyzes the evolution of child marriage in Bangladesh and Malawi throughout recent history. It first looks at the prevalence of child marriage in both of these countries (Section IV.1.) and then at other factors related to women's and girls' rights that have been proven to either exacerbate or help to prevent child marriage (Section IV.2.).

IV.1. Prevalence of Child Marriage in Bangladesh and Malawi

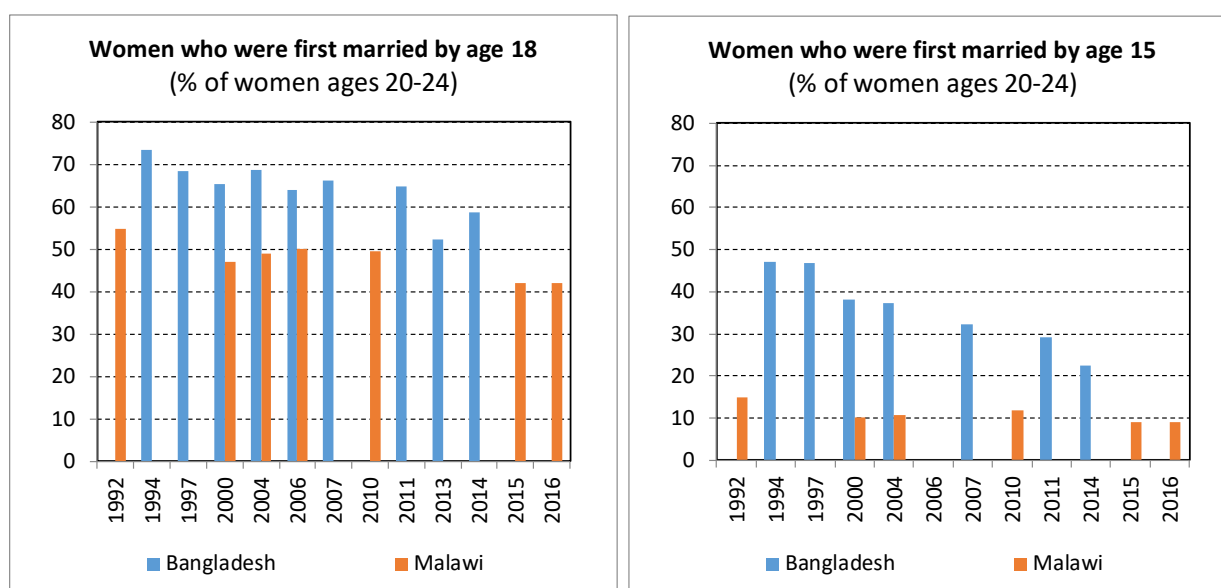
Figure 4 illustrates the percent of women who were first married by age 18 among women aged 20 to 24 years in Bangladesh and Malawi for all available years. It shows that the rate of child marriage in Bangladesh has always been higher than in Malawi. Both countries have seen a general, though very slight, decline in the rates of marriages of women under the age of 18. In Bangladesh, child marriage decreased from a high of 73.3 percent in 1994 to 58.6 percent in 2014; in Malawi, it decreased from 54.9 percent in 1992 to 42.1 percent in 2016. However, progress has

been uneven in both countries, with the percentage of girls getting married before they are 18 showing some volatility, especially in Bangladesh.

Figure 5 shows the percent of women who were first married by age 15 among women aged 20 to 24 years in Bangladesh and Malawi for all available years. The rate of child marriage by 15 is much higher in Bangladesh than in Malawi. Malawi has seen a very slight decline in its rate while Bangladesh has seen a much more dramatic one with Bangladesh at 22.4 percent in 2014, down from 47.2 percent in 1994, and Malawi's rate at 9.0 percent in 2015, down from 14.8 percent in 1991. However, Bangladesh's rate is still quite high, nearly three times the level of Malawi for the most recent similar years such data is available.

Comparing Figures 4 and 5 with each other, it is noteworthy that Bangladesh's rate is disproportionally higher than Malawi's for the percentage of women who were first married by age 15 than by age 18. Another key observation across Figures 4 and 5 is that Bangladesh's progress with reducing child marriages is much more profound than Malawi's progress for the percentage of women who were first married by age 15 than by age 18. Clearly, there has been more pressure on reducing child marriages below age 15 than for reducing child marriages below age 18.

Figures 4 and 5: Women Who Were First Married by Age 18 and Women Who Were First Married by Age 15 (percent of women aged 20-24), all available years



Source: Created by author based on World Bank (2021a).

IV.2. Factors Affecting Child Marriage

Given the severe lack of data for net school enrollment for Malawi, Figures 6 and 7 show the gender parity index, respectively for gross secondary and gross tertiary school enrollment. It can be seen that the gap between girls and boys in school enrollment has been very high in the 1980s.

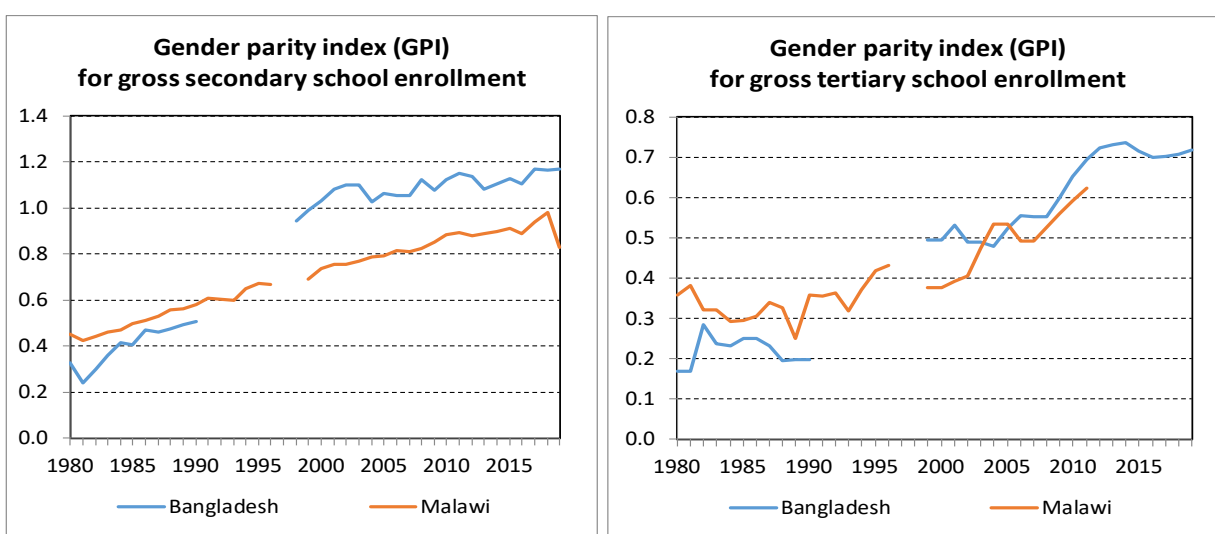
With regards to gross secondary school enrollment (shown in Figure 6), the gender gap index was always below 50 percent during the 1980s in Bangladesh and around 50 percent in Malawi during the same time period. The situation changed drastically in Bangladesh, where more girls than boys

were enrolled in secondary school since year 2000, while progress was more gradual in Malawi, where gender parity was nearly reached in 2017, but then deteriorated significantly in 2018.

With regards to gross tertiary school enrollment (shown in Figure 7), gender parity is far from being achieved, despite significant progress in both countries over the last few decades. As of 2019, the gender parity index stood at 0.72 in Bangladesh. In Malawi, the gender parity index reached 0.62 in 2011, which is the last year such data is available for Malawi. These trends are important steps forward as continued education for women is cited as one of the most important factors in preventing child marriage.

There is considerable evidence that education for girls generally has a positive impact on preventing child marriage. This is significant as girls who attend less schooling are more likely to be married younger and girls who are married young typically stop attending school.⁸ A lack of education also leads to a smaller support system for girls who miss out on necessary skills and connections that would allow them to have a better chance of getting their children and families out of poverty.⁹ All of this is important evidence as to why education for girls specifically matters in the case of fighting against child marriage.

Figures 6 and 7: Gender Parity Index for Gross Secondary and Tertiary School Enrollment



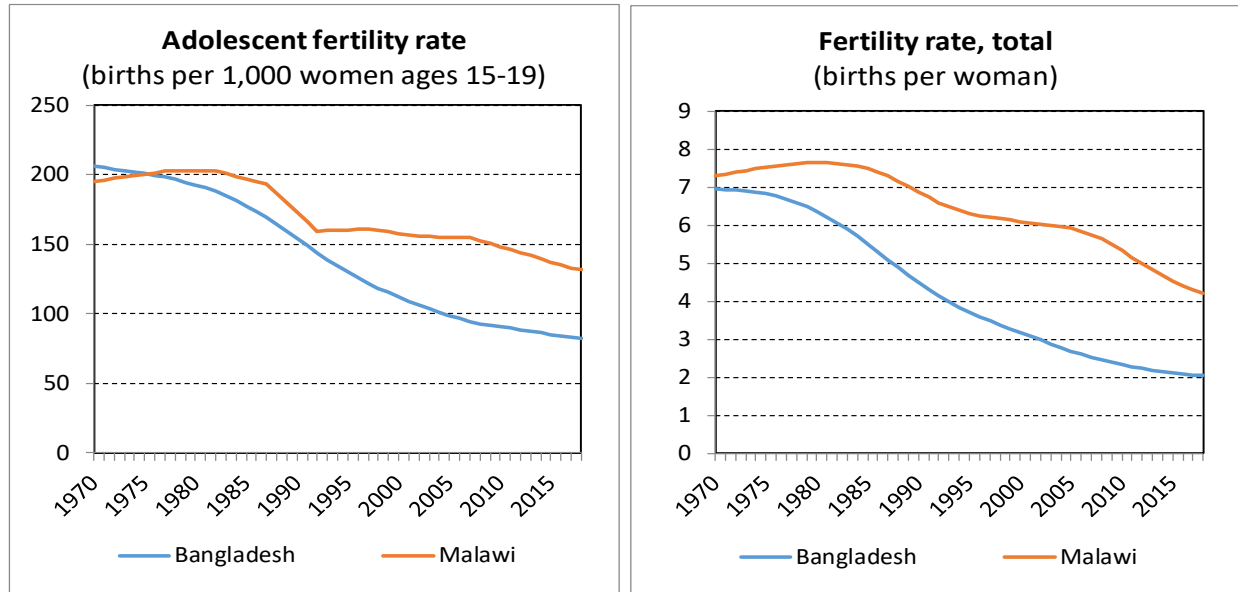
Source: Created by author based on World Bank (2021a).

Figure 8 looks at adolescent fertility rate from 1970-2018 in both Bangladesh and Malawi, which is defined as births per 1,000 women ages 15-19 years old. Both rates have declined fairly steadily over the past two decades with Bangladesh starting at 206 births in 1970 and decreasing to 82 births in 2018 and Malawi starting at 195 births in 1970 and decreasing to 132 births in 2018. Though declining adolescent fertility rates are a positive sign, comparing adolescent fertility rates with overall fertility rates (shown in Figure 9) indicates that part of the decline in adolescent fertility is partly due to the overall declining fertility rates, i.e., social changes that go beyond the initiatives to reduce child marriages.

⁸ Lee-Rife et al. (2012).

⁹ Lee-Rife et al. (2012).

Figures 8 and 9: Adolescent Fertility Rate (births per 1,000 women ages 15-19) and Total Fertility Rate (birth per woman), 1970-2018



Source: Created by author based on World Bank (2021a).

Early marriages typically imply that women enter into a sexual union and hence, exposure to childbearing starts very early.¹⁰ This is generally negative as there is a much higher probability of child mortality in women who have children as adolescents as they are more prone to many maternal risk factors.¹¹ Additionally, when young women have children, they are highly unlikely to continue to get an education afterwards as they typically must stay home and take care of their children. This also means that they are very unlikely to be employed, which is one factor that typically allows women more protection and agency in their marriage and contributes to a more equal relationship between them and their husbands.¹²

V. Ethical Origins and Framework

This section examines the ethical origins and framework behind child marriage in Bangladesh and Malawi. The first sub-section will discuss the existing structures in both countries working towards abolition of child marriage. The second sub-section will look at the future ethical approaches to ending child marriages in both countries.

V.1. Existing Structures and Responses in Bangladesh and Malawi

As was shown in the previous section, in terms of child marriage rates, Bangladesh is much worse off than Malawi, though both countries' rates are still very high in the grand scheme of the world. The fight to abolish child marriage in both of these countries is ongoing but faces difficulties

¹⁰ Kamal (2012).

¹¹ Kamal (2012).

¹² Kamal (2012).

because of how deeply intertwined child marriage is with many complex issues and social mores. The practice of child marriage has been happening for many decades if not centuries in both of these places and is so normalized within these cultures that it is difficult to break the cycle. Because marrying girls off early makes financial sense for many families in developing countries, many parents consent to it, which is also a common loophole in laws prohibiting child marriage.

Recent legislation has not done much to help with this issue in Bangladesh. At the Girl Summit in London in July 2014, Bangladesh made a goal to end marriage of girls under 15 by 2021 though that has not happened. Bangladesh passed a law in 2016 penalizing marriages under the age of 18 but included a clause that allows girls to be married under special circumstances with consent of the parents and the court, avoiding the consequences that the law put in place. The Bangladeshi law of 2016 actually reduced (instead of increased) the legal minimum age to get married with a combined parental and judicial consent.¹³ The logic behind reducing the legal minimum age was based on the unintended effect of previous interventions leading to higher dowry payments among some of the girls because of their older age when getting married.¹⁴ The 2016 law was highly criticized after its inception with many saying that it would do nothing to change the current state or even make things worse. Another criticism was that the controversy of the bill could have the potential to take policy attention away from actual prevention strategies and negatively impact the work being done to combat child marriage in the country.¹⁵

In 2017, Malawi created legislation to make marriage under the age of 18 illegal with violators being subject to fines. Creating laws to prevent child marriage is not an uncommon practice. However, the way in which these are implemented and enforced varies. One practice that arose in Malawi involved community intervention by child protection committees or local governments to remove a girl from her marital home and return her to her natal home. Some of these practices may be the reason for lower rates in Malawi as they help to actually enforce child marriage laws which is an issue that many countries with high rates of child marriage have.¹⁶

Among other countries, parents in Bangladesh and Malawi are quick to marry off their daughters because they feel there is less of a chance she will be romantically involved or perceived as romantically involved before she can be married.¹⁷ Varia (2016, p. 35) notes that a commonality is that “most girls—economically dependent, with little autonomy or support, and pressured by social norms—feel they had no choice but to comply with their parents’ wishes. Discriminatory gender norms in many places, including traditions that dictate that a girl live with her husband’s family, while a boy remains with and financially supports his parents, contributes to perceptions that daughters are an economic burden while sons are a long-term investment.”

Lee-Rife et al. (2012) detail five approaches to ending child marriages and analyze what works.

- The first approach is “Empowering Girls with Information, Skills, and Support Networks.” The logic behind this approach was that girls who are educated on these topics will be able to more fully advocate for themselves.

¹³ Wodon et al. (2017), p. 3.

¹⁴ Kalamar, Lee-Rife and Hindin (2016), p. S20.

¹⁵ This paragraph is based on Asadullah and Wahhaj (2017).

¹⁶ This paragraph is based on Melnikas et al. (2021).

¹⁷ Varia (2016).

- The second approach is “Educating and Mobilizing Parents and Community Members.” In practice, this would have the benefit of stopping child marriage at what is often its source—the people in charge of marrying off girls.
- The third is “Enhancing the Accessibility and Quality of Formal Schooling for Girls.” As has been seen before, education is a helpful barrier in preventing the practice.
- The fourth approach suggests that “Offering Economic Support and Incentives for Girls and Their Families” as financial incentives are often cited as a reason for early marriages.
- Finally, the fifth approach is “Fostering an Enabling Legal and Policy Framework,” which would try to eradicate child marriage through policy and law.

Though each of these approaches are positive in their own ways, evidence points to a necessity for all of them to work together in order to achieve abolition of child marriage. No one practice has been found to work on its own and many different approaches being used increases the chances of at least one solution being effective in this way.¹⁸

V.2. Potential Ethical Approaches in Bangladesh and Malawi

The presence of child marriage as a practice anywhere means that women are not equal to men. Article 1 of the Universal Declaration of Human Rights states that “All human beings are born free and equal in dignity and rights. They are endowed with reason and conscience and should act towards one another in a spirit of brotherhood.”¹⁹ Child marriage is a practice that exacerbates inequalities between men and women and, as long as it exists, women are not equal to men “in dignity and rights.” This means that ethical commitments outlined in the Universal Declaration of Human Rights are not being met by any country that still allows child marriage and is evident of the fact that these places are not even able to meet the most basic and universally agreed upon global ethical standards.

Two approaches of ethical decision making have potential to yield the best results when looking at solutions to child marriage. The first is the Common-Good Approach. The Markkula Center for Applied Ethics defines this as an approach that “assumes a society comprising individuals whose own good is inextricably linked to the good of the community. Community members are bound by the pursuit of common values and goals.”²⁰ This is important as programs with the goal of ending child marriage require support and respect from the society as a whole and often the reason child marriage continues to happen is because people and communities create the environment for it to proliferate.

The second approach is the Virtue Approach. The Markkula Center defines this as an approach that “assumes that there are certain ideals toward which we should strive, which provide for the full development of our humanity. These ideals are discovered through thoughtful reflection on what kind of people we have the potential to become.”²¹ This is important because societal ideals of fairness and integrity can only be achieved through equality for all people which is obstructed by the presence of child marriage as a common practice.

The Common-Good Approach, as a result of its basis in the pursuit of common values and goals, has potential to encourage people in these societies to work together to end the issue of child

¹⁸ This paragraph is based on Lee-Rife et al. (2012).

¹⁹ United Nations (undated).

²⁰ Velasquez, Andre, Shanks and Meyer (2015), paragraph 11.

²¹ Velasquez, Andre, Shanks and Meyer (2015), paragraph 14.

marriage.²² This would be beneficial because the root of child marriage is the societal values that enable it which are entirely espoused by the community members that believe in them. By utilizing an approach that intends to change the social norms, it would promote greater solidarity within communities and require people to rethink their view of the practice of child marriage in their community.

The Virtue Approach strives to achieve certain ideals that improve society and give every member of it a fair and just life.²³ It notes that virtues are traits that allow people to act in ways that help them to reach their highest moral potential. This approach is also fitting for the issue of child marriage because a society that still allows child marriage is not one that is fair and just for every citizen nor is it one that is reaching its highest potential. Additionally, Velasquez, Andre, Shanks and Meyer (2015, paragraph 18) state that people who have “developed virtues will be naturally disposed to act in ways consistent with moral principles.” This is important as being against child marriage is a moral principle that needs to be developed in societies that still have the practice in order to have people support programs and initiatives that are focused on ending it and promoting rights for girls.

VI. Conclusion

This article explored the practice of child marriage in Bangladesh and Malawi as well as past efforts and potential strategies to combat it. Both countries have improved over the last few decades in terms of development and lessening the amount of child marriages happening. However, both are still ranked some of the worst places in the world for child marriage. One indicator, education for girls, is now significantly better, having girls enrolled in primary school actually outnumbering males. Despite this, the practice of child marriage continues. Data show that the percentage of women who were first married by age 15 has seen a decrease in both places though Bangladesh’s numbers are still significantly higher than Malawi’s. Important statistical indicators in both countries are promising and show that improvements are being made in social and economic areas that help to reduce child marriage.

Fortunately, both Bangladesh and Malawi recognize child marriage as an issue. Past research and analysis have shown that certain laws and policies put in place in both countries have been ineffective. Evidence points to issues with enforcement being the biggest barrier to these laws being successful. There are often easily found loopholes or fairly lenient consequences for people who break these laws. This indicates that the most successful solutions will be those based around mobilizing community members and educating parents about the detrimental effects of child marriages. Malawi has shown promising growth with programs like this while Bangladesh has progress to make in these areas.

However, as the data on child marriages reviewed in this article shows, both countries have work to do in eliminating child marriage. There are many promising solutions and further socio-economic progress in these countries will likely have the added benefit of helping to end this unacceptable practice in the 21st century. As stated by Girls Not Brides: “There is no single solution, actor or sector to end child marriage; we must all work together.”²⁴

²² Velasquez, Andre, Shanks and Meyer (2015).

²³ Velasquez, Andre, Shanks and Meyer (2015).

²⁴ Girls not Brides (undated), second row below header.

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