**Poverty** is not having enough material possessions or [income](https://en.wikipedia.org/wiki/Income) for a person's needs. Poverty may include [social](https://en.wikipedia.org/wiki/Social), [economic](https://en.wikipedia.org/wiki/Economic), and [political](https://en.wikipedia.org/wiki/Political) elements.

[*Absolute poverty*](https://en.wikipedia.org/wiki/Absolute_poverty) is the complete lack of the means necessary to meet basic personal needs, such as [food](https://en.wikipedia.org/wiki/Food), [clothing](https://en.wikipedia.org/wiki/Clothing), and [shelter](https://en.wikipedia.org/wiki/Shelter_%28building%29). The threshold at which *absolute poverty* is defined is always about the same, independent of the person's permanent location or era.

On the other hand, [*relative poverty*](https://en.wikipedia.org/wiki/Relative_poverty) occurs when a person cannot meet a minimum level of [living standards](https://en.wikipedia.org/wiki/Living_standards), compared to others in the same time and place. Therefore, the threshold at which *relative poverty* is defined varies from one country to another, or from one [society](https://en.wikipedia.org/wiki/Society) to another. For example, a person who cannot afford housing better than a small tent in an open field would be said to live in relative poverty if almost everyone else in that area lives in modern brick homes, but not if everyone else also lives in small tents in open fields (for example, in a [nomadic tribe](https://en.wikipedia.org/wiki/Nomadic_tribe)).

Governments and non-governmental organizations try to reduce poverty. Providing basic needs to people who are unable to earn a sufficient income can be hampered by constraints on government's ability to deliver services, such as [corruption](https://en.wikipedia.org/wiki/Corruption), [tax avoidance](https://en.wikipedia.org/wiki/Tax_avoidance), [debt](https://en.wikipedia.org/wiki/Developing_countries%27_debt) and [loan conditionalities](https://en.wikipedia.org/wiki/Conditionality) and by the [brain drain](https://en.wikipedia.org/wiki/Brain_drain) of health care and educational professionals. Strategies of increasing income to make basic needs more affordable typically include [welfare](https://en.wikipedia.org/wiki/Welfare), [economic freedoms](https://en.wikipedia.org/wiki/Economic_freedom) and providing financial services.

**CAUSES OF POVERTY**

Causes of poverty are a highly ideologically charged subject, as different causes point to different remedies. Very broadly speaking, the [socialist](https://en.wikipedia.org/wiki/Socialist) tradition locates the roots of poverty in problems of distribution and the use of the means of production as capital benefiting individuals, and calls for re-distribution of wealth as the solution, whereas the [neoliberal](https://en.wikipedia.org/wiki/Neoliberal) school of thought is dedicated the idea that creating conditions for profitable private investment is the solutions. Neoliberal think tanks have received extensive funding, and the ability to apply many of their ideas in highly indebted countries in the [global South](https://en.wikipedia.org/wiki/Global_South) as a condition for receiving emergency loans from the [International Monetary Fund](https://en.wikipedia.org/wiki/International_Monetary_Fund).

**SOLUTION TO POVERTY**

**Food and other goods**

Agricultural technologies such as [nitrogen fertilizers](https://en.wikipedia.org/wiki/Nitrogen_fertilizer), pesticides, new seed varieties and new irrigation methods have dramatically reduced food shortages in modern times by boosting yields past previous constraints. Even with new products, such as better seeds, or greater volumes of them, such as industrial production, the poor still require access to these products. Improving [road](https://en.wikipedia.org/wiki/Road) and transportation infrastructure helps solve this major bottleneck. In Africa, it costs more to move fertilizer from an African seaport 60 miles inland than to ship it from the United States to Africa because of sparse, low-quality roads, leading to fertilizer costs two to six times the world average. [Microfranchising](https://en.wikipedia.org/wiki/Microfranchising) models such as door to door distributors who earn commission-based income or [Coca-Cola](https://en.wikipedia.org/wiki/Coca-Cola)'s successful distribution system are used to disseminate basic needs to remote areas for below market prices.

**Health care and education**

Nations do not necessarily need wealth to gain health. For example, [Sri Lanka](https://en.wikipedia.org/wiki/Sri_Lanka) had a [maternal mortality rate](https://en.wikipedia.org/wiki/Maternal_mortality_rate) of 2% in the 1930s, higher than any nation today. Desirable actions such as enrolling children in school or receiving vaccinations can be encouraged by a form of aid known as [conditional cash transfers](https://en.wikipedia.org/wiki/Conditional_cash_transfer).[[203]](https://en.wikipedia.org/wiki/Poverty#cite_note-Brazil-204) In Mexico, for example, dropout rates of 16- to 19-year-olds in rural area dropped by 20% and children gained half an inch in height. Initial fears that the program would encourage families to stay at home rather than work to collect benefits have proven to be unfounded. Instead, there is less excuse for neglectful behavior as, for example, children stopped begging on the streets instead of going to school because it could result in suspension from the program.

### Increasing personal income

A [guaranteed minimum income](https://en.wikipedia.org/wiki/Guaranteed_minimum_income) ensures that every citizen will be able to purchase a desired level of basic needs. A [basic income](https://en.wikipedia.org/wiki/Basic_income) (or [negative income tax](https://en.wikipedia.org/wiki/Negative_income_tax)) is a system of [social security](https://en.wikipedia.org/wiki/Social_security), that periodically provides each citizen, rich or poor, with a sum of money that is sufficient to live on.