# Article information:

Globalization and rural poverty - ScienceDirect
<https://www-sciencedirect-com.ezproxy1.lib.asu.edu/science/article/pii/S0305750X06000878>

# Article summary:

1. Globalization can both harm and benefit rural poverty in developing countries, depending on domestic political and economic institutions.

2. The impact of trade liberalization on poverty reduction is complex and context-dependent, with mixed results from micro-analysis studies.

3. Small farms and firms can be productive and successful in export markets, but face hurdles due to developed country protectionism and subsidies.

# Article rating:

Appears moderately imbalanced: The article provides some useful information, but is missing several important points or pieces of evidence that would be required to present the discussed topics in a balanced and reliable way. You are encouraged to seek a more balanced perspective on the presented issues by exploring the provided research topics and looking at different information sources.

# Article analysis:

The article "Globalization and rural poverty" provides an analytical account of the impact of globalization on the lives of rural poor in developing countries. The author limits the definition of globalization to openness to foreign trade and long-term capital flows, ignoring the impact of short-term capital flows. The article focuses on absolute poverty in low-income countries, with a particular emphasis on the rural sector.

The author acknowledges that globalization can cause hardships for the rural poor but also opens up opportunities depending on domestic political and economic institutions. However, the article lacks evidence to support this claim. The author cites examples of poverty reduction in China, India, and Indonesia but fails to provide convincing evidence that this decline is mainly due to globalization. Similarly, while poverty has remained high in sub-Saharan Africa, it may have little to do with globalization.

The article discusses how self-employed poor workers face constraints in credit, marketing and insurance, infrastructure, and government regulations. While international economic integration can affect poverty primarily through these workers' capacity as workers, consumers, recipients of public services or users of common property resources. The author argues that foreign traders and investors are not directly responsible for these constraints but requires substantive domestic policy and governance changes.

The article suggests that openness to foreign trade and investment may help relieve bottlenecks in infrastructure and services essential parts like fertilizers and pesticides. However, there is no evidence provided to support this claim.

The article highlights how small farms or firms that are not severely handicapped by credit constraints are sometimes more productive than their larger counterparts. However, developed country protectionism restricts export prospects for poor countries severely.

Overall, the article provides a one-sided view of globalization's impact on rural poverty without exploring counterarguments or presenting both sides equally. It lacks evidence to support its claims about the benefits of openness to foreign trade and investment relieving bottlenecks in infrastructure and services essential parts like fertilizers and pesticides. Additionally, it fails to note the possible risks associated with globalization, such as the exploitation of workers and environmental degradation.

# Topics for further research:

* Risks of globalization on rural communities
* Impact of short-term capital flows on developing countries
* Role of domestic policy and governance in poverty reduction
* Environmental degradation and globalization
* Exploitation of workers in global supply chains
* Alternatives to globalization for poverty reduction in rural areas

# Report location:

<https://www.fullpicture.app/item/4278ff217cbd6b6900ddba0bca3360ba>