**POOR COUNTRIES WILL ALWAYS REMAIN POOR**

**Introduction**

What can those emerging economies do to help them develop? Poverty has historically and profoundly concerned the world since countless individuals are suffering from difficulty, suffering, and hunger, among other things. Those folks are mostly found in poor or third-world nations. As far as we can tell, poor countries are collaborating with the industrialized nations and intergovernmental groups in order to relieve and eventually eliminate poverty. Nevertheless, there are a few factors that could prevent such collaboration from succeeding. This paper will discuss why poor countries will remain poor drawing reference from different academic journals, books and articles.

**Reasons why poor nations remain poor**

Poverty in emerging countries is caused by a variety of factors that vary by country. However, the biggest common factor, which can be identified in every growing country, is corruption. Corruption can and is  a big concern, such as when top government officials hoard their wealth rather than spending it in infrastructure, helping families, addressing residents' necessities, and allowing revenue to flow directly to the public. They utilize the money to fund political movements, maintain control, build up armies and armaments, or do other unethical activities with the revenue (Rodriguez Olivari, 2012, p. 47-55). According to certain analysts, the basic difference separating rich and poor nations is the degree to which institutions are in position to protect a tiny fraction of the powerful from amassing their riches. Corruption has had a detrimental and significant impact on the nation's progress and wellbeing, and is one of the most pressing issues that emerging economies are grappling with. Corruption can be found in a variety of institutions and sectors, including government, private industry, legal system, schools, and so on. It is easy to see why corruption is such a serious problem for a nation. Corruption has sucked a considerable amount of revenue from the government budget and overseas aid (Thomas, 2015, p. 76-99).

For instance, As per BBC news, around $32 billion in funding utilized to help solve problems in Afghanistan has not helped individuals’ livelihoods as of yet, with several Afghans still living in poverty. The blame is purely placed on the state's widespread corruption (BBC news, 2010). The sum of revenue lost as a result of corruption is huge. Rather, the funds may be utilized to benefit the underprivileged by upgrading infrastructure, agribusiness, universal healthcare, and school construction. It should come as no surprise that several poor economies have a higher rate of corruption than other nations of the globe. According to a Transparency International poll, numerous underdeveloped states including the Philippines, Indonesia, Somalia, and others rated around the bottom, scoring approximately 2 points out of 10. In comparison, other wealthy economies such as Singapore, Ireland, and the United Kingdom all earned about 9 points (Transparency international, 2010). We could infer that the less corrupt a nation is, the better off it will be in terms of GDP. Moreover, corruption may act as a deterrent to overseas investment. The importance of investments in the economy of a nation cannot be overstated. It creates a huge number of jobs for local residents and increases tax revenue. Nevertheless, investors are increasingly hesitant to conduct large-scale businesses in a state plagued by corruption. Johnson (2009, p.1-19) believes that corruption manifests itself in a variety of ways. It holds blame for reducing and degrading the rate of economic advancement. Global investors must2spend a set sum of funds to speed up the2procedure of obtaining a legal license2or permit mostly in developing nations, irrespective of the size2of their2enterprise (Johnson, 2009, p.1-19).

Corruption may be a significant contributor to existing inequalities because it helps mainly the privileged whereas the poor suffer. When chronic disparity increases, the underprivileged may resort to violence or insurrection to bridge the social gap. Using the instance of the Lon Nol presidency in the21970s as an illustration, Global Security claims that pervasive corruption in Cambodia2during the Republican dictatorship harmed the economy and armed forces. There was a witnessed significant rise in resistance. In 1973, Pol Pota2nd Ieng Sary launched a major offensive against the state (Pike, 2011). The comparable facts were disclosed by Omar (2016, p. 46-57). He said that the funds donated to Lon Nol's regime by his most ardent admirer, the United States, could only lead to a greater level of graft in the bureaucracy and armed force (Omar, 2016, p. 46-57).

Mismanagement of2government is another aspect that stops underdeveloped nations from achieving success. The government is seen as a state's steering wheel. Government has a part to play in whether a country succeeds or fails. Many third-world nations stay impoverished due to poor administration, such as insufficient surveillance of the nation's revenue and resources, as well as failures in foreign relations and anti-corruption campaigns (Cooper, 2016, p.325-369). To begin with, the government revenue is derived from a variety of sources. For instance, taxation, tourism, exports and imports, and so on. To make the most utilization of the revenue gathered, highly skilled bodies and mechanisms are necessary to oversee the operation. Regrettably, emerging countries continue to face significant challenges. A considerable portion of the revenue generated does not go straight to the state; instead, it ends up in the pockets of individuals, mainly influential and deceitful tax collectors and bureaucrats. The issue could be exemplified by the irregularities in tax collecting in India (Cooper, 2016, p.325-369).

According to Gould (2015, pp.256-270), India loses billions of dollars due to tax evasion and mismanagement. 60 years ago, India's unlawful wealth was projected to be $462 billion dollars. He contends that the private industry is the primary root cause of the situation (Gould, 2015, p.256-270). Resource management, like taxation, is critical to improving the quality of life in emerging nations. Mishandling of the resource potentially lose the nation’s economy a lot of money. Dike claims that inefficient natural resource management will contribute to unrest in developing nations' societies, and he backed up his claim by bringing up the Niger Delta Conflict. He also emphasizes that rectifying the mishandling of resources will require "dedicated and strong leadership." (Dike, 2006).

According to Zutt (2009, p.71-101) the World2Bank has demonstrated how effective resource management can aid nations like Kenya, where several individuals live in abject poverty, in overcoming climate change. According to Prof Maathai, who was quoted in a World Bank article, planning a variety of crop varieties, excellent soil conservation, and a "green belts" strategy made of local2tree types might help Kenya's agriculture sector flourish more extensively. Nevertheless, according to Zutt (2009, p.71-101), Kenya's shortage of sincerity in managing its tropical forests contributes to soil degradation, a risk to biodiversity, and a failure to handle rainfall. These issues have an impact on Kenyans' livelihoods (Zutt, 2009, p.71-101). Ineffective government foreign diplomacy to develop solid relationships with overseas nations in the global society is also a hindrance to economic growth. Plainly said, positive ties between states can encourage and encourage investment and assistance. A handful emerging economies have led the way, but others continue to maintain hostile and harsh foreign policies toward their neighboring states and the rest of the globe. North Korea is an outstanding demonstration of how bad diplomacy can bring a nation down.

As per Park's news evaluation in Economy Watch, a research indicates that North Korea has the lowest percentage of international company operating contrasted to the other 157 nations. North Korean dictator Kim Jong Il wishes to economically isolate his nation from international investment, which is why2North Korea remains impoverished and depends primarily on international handouts from China, South Korea, and the United2States (Smith, 2013, p.1-16). The final issue in the mismanagement category is an ineffective endeavor to eliminate corruption. Corruption, as previously stated, is a disease. The illness that emerging economies are improbable to eradicate. Several nations' regulatory authorities are taking various attempts to combat corruption. It is still too sluggish for the repercussions of corruption to manifest themselves. As a result, if the ineffective management in decelerating corruption is not totally corrected, people will continue to be impoverished (Smith, 2013, p.1-16).

Civil wars also have played a significant role in the development of poor countries. Possessing gas and oil assets can increase the danger of violent confrontation if those in authority are motivated by selfishness or bribery, or are not dedicated to assisting their population and alleviating poverty. If the earnings go to rebel organizations, they can expand their units (Keen, 2008, p.814-815). Nigeria, Angola, Chad, and Sudan, to name a few African countries, have all experienced brutal civil wars for oil and gas production. Unfortunately, research suggests that when a nation's economy is based on the exportation of fossil fuels, the chance of civil conflict rises dramatically. As is customary in world history, states ravaged by civil wars and upheavals, such as Cambodia2and Somalia, are vulnerable to economic stagnation. These nations had been transformed from stable states to ones rife with terrorism and bloodshed, causing an unwelcome diversion in their development. It is unquestionably not a simple or quick procedure for a nation to recover after a conflict (Keen, 2008, p.814-815).

Following a war, post-war governments are frequently confronted with several obstacles and costly rebuilding. Civil wars also drive out international investments and put a stop to current and planned economic initiatives. It could take decades for the state to re-establish market confidence and re-establish trade. As a result, the private enterprise in nations affected by civil conflict is growing at a slower pace. Not only the private industry, but also several additional industries, including tourism, is suffering (Kiernan, 2017, p. 285-304). As per Phillips' perspective in The Phnom2Penh Post about the unrest in Thailand in22009, the brutal protests resulted in a 20% reduction in hotel accommodation in Bangkok2and a 2% decline in overall overseas tourists who come to Thailand. (Phillips, 2022).

Increasing debt levels will not assist individuals in underdeveloped countries in escaping poverty. Most emerging economies request loans from advanced economies in the hopes of using the funds to build their economies. During2wartime, numerous loans were taken out2to purchase firearms and food2supplies. In order to2pay off the2loan and interests, the state may be2required to take money intended to improve other industries including education, food production, or regional development2from the national budget. The Cambodian administration has long requested that its counterpart repay debts owed2to the Lon Nol administration following Cambodia's2civil war (Omar, 2016, p. 46-57).

Overpopulation is another major challenge that is impeding the development of underdeveloped countries. Overcrowding occurs in wealthy countries including the United States and many portions of Europe. These nations, on the other hand, are technologically advanced and have an abundance of natural resources and riches. As a result, they are competent of preventing hunger and poverty among their overcrowded citizens. This is not the scenario underdeveloped nations, where millions of citizens struggle to make ends meet,  (James, 2015, p. 34). As per Fight Poverty, numerous inhabitants in underdeveloped nations make a living through agricultural practices, such as small-scale subsistence agriculture that generates a finite quantity of food. As a result, food security is constantly in jeopardy (James, 2015, p. 34). According to the research, poverty is widespread across Bangladesh, which has a population density of 1,078 people per square kilometer and relies heavily on family agricultural farming. Land for farming is scarce on the African landmass, and exposure to economic resources and technology is limited. For this nation, overcrowding would be a hardship and lead to poverty. Singapore, on the other hand, is one of the globe’s tiniest nations, with stringent environmental limitations, including fresh water, but because its populace is so low, the state can reliably supply food (James, 2015, p. 34).

Another issue that is said to be keeping the third world in such bad shape is a lack of knowledge. Developing-country regimes struggle to offer adequate education that will allow citizens to obtain rewarding jobs in the future. Lack of education is widespread in underdeveloped nations, especially in rural areas. According to data from the Global Fund to Fight Poverty, 60 percent2of youngsters in2Sub-Saharan Africa are enrolled in elementary2school ( (James, 2015, p. 34). Several citizens may become exploitable by racketeers or underpaid and jobless if they lack a proper education. Increased joblessness would entail more people living in poverty. Poor education may also play a role in the rise2in crime rates2across the nation. Individuals who are unable2to obtain2work or receive insufficient wages may opt to steal or plunder from2others in an attempt to support2themselves and their households. Furthermore, when someone2cannot read or2write, their knowledge of medical coverage is severely2limited. The media's efforts to enlighten citizens about health will face challenges because majority of the material is incomprehensible to several citizens. As a result, health-care spending becomes a costly issue for the state to tackle.

Without a doubt, the state and other elements play a major part in rendering developing economies poor. However, it is disputed if many people are making sufficient efforts to improve their lives. Many individuals choose to2stop looking for2work, while others2choose to engage2in substance abuse or become2alcoholics. According to a MQI publication, "70 percent of drug addicts are jobless." Poverty and both short2and long-term2unemployment are additional variables that drive drug use, according to experts (Spicker, 2020, p. 163-182). Others continue to believe that they will remain poor since their parents or forefathers were impoverished. As per Spicker (2020, p. 163-182), most individuals who get unemployment2benefits and other2forms of help have no desire2to work since the income they get2is enough to live on. People should be held responsible for their actions in this situation, not state institutions, since they are merely trying to help the jobless (Spicker, 2020, p. 163-182).

Infections and natural disasters are two more apparent variables that contribute to poverty in underdeveloped economies. Among the most serious problems for developing countries is the prevalence of HIV/AIDS. HIV/AIDS-related deaths are on the rise in emerging nations such as2Africa, India, Cambodia, Vietnam, and others. HIV/AIDS has become Cambodia's leading cause of death in recent times. A considerable amount of revenue has been spent on treating HIV-positive people with medications and care services. The revenue collected from the state and foreign institutions accounts for a significant portion of the total. (Omar, 2016, p. 46-57). Likewise, vast sums are being poured into foreign assistance to ease the burden created by this debilitating condition and to prevent it from spreading further in African countries, where the overall number of HIV victims accounts for 70% of the global populace (AIDS in Africa). According2to Boseley, the financial projection for combating HIV/AIDS in2South Africa will increase to $88 billion2dollars from 2010 to 2031 (Boseley, 2017).

The money set aside for HIV/AIDS treatment initiatives might undoubtedly be put to better use in other areas. Natural disasters that are unforeseen could cause havoc on poor nations (For example the recent Covid-19 pandemic affected the economies of the developing nations the most). To bring order, money has to be spent on fixing structures such as roads, bridges, and housing, as well as treating victims, providing security, and other amenities. After the devastating Tsunami struck many nations, including Thailand and2Indonesia, a considerable sum of money was required to fully manage the situation. As per a UN analysis on the effect of the tsunami in2Thailand, the Thai state spent roughly 1.06 billion dollars on compensation, with another 38.3 million dollars coming from the UN2recovery program to assist the bereaved (United Nation, 2008). The devastating earthquake in Haiti, which killed hundreds of individuals, had no effect on the administration. They had to invest the funds primarily on programs to keep casualties from dying of starvation and to prevent cholera from spreading. The earthquake, as per Mckay and Dugan, uprooted 1.3 million citizens from their homes and killed 300,000 citizens (Mckay & Dugan, 2010).

Economists have attempted to elucidate why developing nations continue to be poor. As per economist2Hernando de Soto, the biggest barrier to progress in poor nations is not a shortage of income. The problem is that ordinary people' money cannot be used as security for any type of ordinary monetary or commercial operation, such as obtaining a mortgage, a consumer loan, or a business mortgage to establish, enlarge, or buy a firm. There are titles retained by landowners and publicly available public records that precisely identify the borders of a property and enable somebody to securely identify its legitimate owners in the United States, Europe, and worldwide. Once assets are purchased and transferred, the documents are amended to represent the entire transaction. Everything is open and precise (Soto, 2003).

Owners can then utilize their lawfully titled real estate holdings as security to get loans from lenders or other financial entities. Since most citizens in emerging economies do not "technically" possess what they have, accessibility to loans is nearly unattainable for the majority of citizens. As a result, they are unable to utilize it as security for obtaining a mortgage from a bank (Soto, 2003). Commercial credit is the foundation of all capitalist countries, as we all recognize. Absent of commercial loans, industrial expansion is extremely difficult. Other options (like "loan sharks") might emerge in the informal economy, but they are typically exceedingly burdensome in respect to short repayment timeframes and excessive interest rates, making them unattractive in most circumstances.

And how big "dead2capital" are we speaking about (capital that2exists but cannot2be advantageous)? "By our estimations, [de Soto2and his colleagues] the entire worth of the real estate possessed but not lawfully owned by the impoverished of the underdeveloped and former2communist states is at minimum $ 9.32 trillion," de Soto said.

*“This is an interesting number to consider: The overall circulating2supply of money in the United States is $9.3 trillion dollars.... It is more than2twenty times the overall direct foreign2investment into all Developing nations and former communist nations in the2ten years that followed 1989, 46-times the World2Bank loans of the previous three2decades, and 93-times the overall development aid from all industrialized nations to the underdeveloped nations  in the same2time frame.”.*–Hernando*2*de Soto, *The Mystery2of Capital*, published*2*in 2003

These are incredible stats. Poor nations are, indeed, poor. But it's not as bad as we might believe. The difficulty is that the majority of people's money in these nations is useless as an asset. This is a significant stumbling block to progress. It is important to note that this stumbling block has little to do with2how tough or how long citizens in these nations labor. Individuals work and accumulate assets. The issue is around the inability to establish a modern patent law framework that would enable residents to get legitimate title to their property, so converting "dead2capital" into "live2capital." In wake of de Soto's groundbreaking discoveries, both policymakers and funders who wish to accelerate economic progress in emerging economies should make administrative modernization a primary focus (Soto, 2013).

Economic theories, namely the dependency theory, have attempted to describe why poor countries stay poor. As per dependence2theory, the outlying position2of afflicted nations2in the global economy2is the primary2source of economic stagnation. On the global2market, impoverished2nations usually offer cheap manpower and raw2supplies. These resources are exported to developed countries with the infrastructure2to turn them2into manufactured items. Undeveloped countries wind up paying2high costs for manufactured product, draining2capital that could alternatively be used2to improve their2own production2potential. As a consequence, a vicious cycle exists, perpetuating the global economy's2divide into a rich2core and a poor2periphery (Ghosh, 2001).

The concept emerged as a reaction to modernization hypothesis, a prior development theory that owned that all communities advance via comparable phases of2development, that today's poorly developed regions are hence in a comparable circumstance to that of current industrialized regions at some2point in the old days, and that, as a consequence, the challenge of assisting2the poorer nations out of welfare dependency is to expedite them across this presumed prevalent journey of development, using numerous methods including investments, closer cooperation with the global economy and technology transfers (Mahoney & Rodríguez-Franco, 2016, p. 67). Dependency2theory argued that impoverished nations are not simply crude replicas of affluent nations, but have distinct characteristics and systems of their nature; and, more crucially, are the weakest components of a global2market system. Some scholars2have claimed that it is2still relevant as a2conceptual framework2for understanding global2wealth distribution. Liberal reformers and neo-Marxists2are the two most2common types of dependency philosophers. Liberal2reformists favor2focused policy initiatives, whilst neo-Marxists advocate for a2command-centered2economy (Mahoney & Rodríguez-Franco, 2016, p. 67).

**Conclusion**

In order to make emerging nations a better environment to live with a low2percentage of2poverty, I2believe the state should first abolish all2forms of corruption, whether in2the public or private domain. Corruption has thus far sucked a considerable quantity of revenue from underdeveloped nations; if   they can keep funds from flowing into personal pockets, they will be ready to conserve a significant chunk of funds for immediate and long-term purposes. Furthermore, a reduction in corruption can significantly aid to lure more investments into nations since businessmen are very hesitant to operate in nations where they have to pay funds corrupting the administration or other organizations, especially corrupt tax collectors. To2do so, the administration must first pass an2anti-corruption legislation that is functional. Establish a positive model by punishing influential and wealthy2individuals who break2the law and, in particular, by2increasing the wages of2employees. Civil conflict avoidance is also a necessity for emerging economies. To accomplish this, nations must offer excellent services in every industry in order to guarantee the peoples political sovereignty and security. If problems arise, strive to resolve them through nonviolent methods. If necessary, the disputing factions could pursue global arbitration to prevent conflict rather than settling their differences through violence. The importance of proper management cannot be overstated.

States' governments2must be intelligent and adaptable in managing2various aspects of government. Developing positive2relationships with2neighboring nations and the rest of2the globe could be an2excellent place to begin. The state must also collaborate with foreign partners in order to handle new fields, such as2the management of2Cambodia's oil2resources. To minimize population increase, the control involves regular population surveillance and the implementation of more effective contraception programs. Offer an inducement for small2families if at all feasible. Education is also very essential. To construct a successful educational structure, nations must raise professor salaries to prevent systemic corruption, as well as implement programs to construct as many schools as conceivable in rural places. Finally, in order to fulfill the objective of poverty2alleviation, the third world nations must enlist the help of three key2stakeholders: the state, global society, and the citizens. As previously stated, the transition from an emerging to an industrialized nation is not a simple or quick task, but if all three stakeholders do not demonstrate a clear dedication and readiness to reform, poor2countries will continue to be poor, if not considerably poorer.

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