World Bank's cure for poverty: More jobs, so the poor can produce more wealth for the oligarchy

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Figures released by the World Bank show that 811 million people, one in 10, are living in extreme poverty, defined as living on less than $3.00 per day.

Poverty, Prosperity and Planet Report 2026 tracks progress in reducing extreme poverty and increasing prosperity. It states that poverty reduction has stalled, changing little since 2019. Had the 2000-13 pace been maintained, 243 million additional people would have escaped poverty.

Extreme poverty is set to concentrate further because of demographic patterns. More than half the extremely poor live in just nine countries: Nigeria, the Democratic Republic of the Congo, India, Ethiopia, Pakistan, Sudan, Tanzania, Uganda and Mozambique. By 2030, 87 percent will be living in Sub-Saharan Africa, in fragile and conflict-affected situations. Since populations are growing fastest in many of the countries with the highest poverty rates, the absolute number of people living in extreme poverty may continue to rise even where the incidence of poverty is falling.

Even more telling is the fact that nearly 3.7 billion people, almost half the world's population, are highly insecure, living on less than $8.30 per day. They are, to use the World Bank's words, just "one shock away from falling back into extreme poverty". This number has remained broadly stagnant for decades.

The "global middle class", those living on between $8.30 and $28.00 a day, has roughly doubled as a share of the world's population, but this expansion has largely been concentrated in the upper-middle-income countries, where they are now the majority. The vulnerable group, living on less than $8.30 a day, constitute by far the largest group in the low-middle-income countries. This "middle class" remains a tiny minority in low-income countries.

The report's message is that the world is not on track to meet international poverty goals without a significant acceleration in economic growth and job creation.

The *2026 Global Multidimensional Poverty Index (MPI)*, published last month by the UN Development Programme (UNDP) and the Oxford Poverty and Human Development Initiative (OPHI), University of Oxford, using a very different methodology, presents a complementary and, in some respects, even more disturbing picture. It says that for the first time since the index was established in 2010, the estimated number of people living in multidimensional poverty has increased.

Beyond income alone, the MPI combines 10 indicators across living standards, including inadequate nutrition, schooling, healthcare-related deprivation, sanitation, electricity, housing, and access to clean water. A person is considered poor if they are deprived in at least one-third of the weighted indicators.

Its study covered 108 countries and 6.3 billion people. It found that 1.2 billion people are living in multidimensional poverty or 18.9 percent of the population covered, a 51.5 million increase over the previous comparable estimate. Nearly half, 534 million people or 44.6 percent of these impoverished people, are considered severely poor, meaning that they face deprivations across more than half of the MPI's weighted indicators. A further 952 million people, in addition to the 1.2 billion living in multidimensional poverty, are considered vulnerable: they face deprivations across multiple indicators without crossing the poverty threshold.

Over half of the world's 1.2 billion poor (617 million) are children under 18. One in every three children is multidimensionally poor, compared to one in seven adults. Children account for more than half (57.7 percent) of the poor in Sub-Saharan Africa and 56.6 percent in the Arab states despite being only 41 percent of the total population. In East Asia and the Pacific, older adults (60 years old and above) are overrepresented relative to their population share.

The rural population accounts for a disproportionate share of all those living in poverty—83.3 percent (998 million). The incidence of poverty is 28.7 percent in rural areas, compared to 7 percent in urban areas. Not only is poverty more frequent in rural areas, but it is also far more acute, as reflected in the overall MPI value.

More than one third of all poor people (422.2 million) are to be found in 21 countries, where the incidence of poverty is greater than 50 percent. Eighteen of these 21 countries are in Sub-Saharan Africa, the region with the highest levels of multidimensional poverty and the highest number (616 million). In some cases, this is because the population has grown; the report cites Angola and Zambia as examples where poverty incidence fell but the total number of people in poverty still increased because population growth was faster.

The country-level results reveal important reversals. Nigeria's multidimensional poverty rate rose from 33 percent in 2021 to 38.7 percent in 2024, with the number of people affected rising from 72.2 million to 90.1 million.

The long-term implications are horrific. An entire generation of undernourished children will suffer chronic illness, perform poorly in school, and face low incomes and a dearth of opportunities. According to the World Health Organization's August 2026 regional humanitarian response plan, in the Greater Horn of Africa alone, more than 4.9 million children are projected to suffer acute malnutrition in 2026. Of these, more than 1.5 million are expected to require

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treatment for severe acute malnutrition (SAM), the most life-threatening form. These devastating conditions compound the social and economic pressures that fuel local and regional instability and conflict. Conflict, in turn, destroys livelihoods, displaces populations, and intensifies hunger and malnutrition, driving those able to flee their homes in search of security and income for their families.

The UNDP report, whose mission is poverty reduction, is essentially descriptive, quantifying deprivation. It avoids the key questions: what has caused this social catastrophe? What resources exist globally to resolve these problems? Who controls them? What policies and programmes are necessary to secure the funding required to eliminate those deprivations?

Likewise, the World Bank's 2026 Poverty, Prosperity, and Planet Report does not provide a single global dollar figure for eliminating or even alleviating poverty. Estimates from researchers at the United Nations University World Institute for Development Economics Research (UNU-WIDER) in 2024 suggest that the direct cash transfers needed to end extreme poverty and absolute monetary poverty worldwide by 2030 would cost about $70 billion and $325 billion per year, respectively. These estimates cover the direct cash transfers required to eliminate monetary poverty; they do not include the wider investment necessary to provide adequate healthcare, education, housing, sanitation and other essential services. Nevertheless, they indicate the relatively modest financial resources required to eliminate even the most extreme forms of income poverty. This represents only 0.1 percent and 0.6 percent of the gross national income (GNI) of the OECD's high-income countries.

The scale of these annual requirements becomes more striking when compared with the accumulated wealth of the world's 3,428 billionaires, which has reached $20.1 trillion, according to Forbes' latest World's Billionaires List. That is roughly one-fifth of annual world GDP. The annual cost of ending extreme monetary poverty would be a tiny fraction of this accumulated wealth. The billionaire class increased its wealth by about $4 trillion in a single year, between 2025 and 2026. The 20 richest billionaires alone hold about $2.9 trillion.

The contrast is not simply between the wealth available and the cost of alleviating poverty. It is evident in the chronic underfunding of the international humanitarian system. UN humanitarian chief Tom Fletcher has reported that only about 20 percent of global humanitarian appeals were funded, the lowest proportion in a decade.

The World Bank frames the problem as creating more and better jobs, increasing earnings, raising productivity, expanding employment, especially among women, and achieving stronger per-capita economic growth. It argues that poverty reduction has stalled because growth and job creation have been insufficient, not because of how resources are owned and distributed. The report repeatedly presents employment and earnings as the main route out of poverty.

The problem is not that these countries lack employment or that their populations are unwilling to work. Millions already work long hours in low-paid, insecure, and often dangerous conditions in agriculture, mining, manufacturing, and the informal economy. The question is who captures the wealth generated by their labour.

Much of the value is appropriated further along the production and distribution chains by commodity traders, processors, brand owners, retailers, and financial institutions that capture interest payments, repatriation, and ownership of productive assets, and intellectual-property holders who own the patents, platforms, and technological infrastructure. Their wealth is invested in and managed by the same financial institutions and private equity firms that hold the sovereign debt of these less developed countries. The workers and countries producing the wealth retain only a fraction of it.

The World Bank naturally has little to say about who captures the wealth, or that the wealth created by the working class is expropriated by the capitalist class. As the executive arm of the imperialist financial powers, it has spent four decades imposing structural adjustment, privatisation and austerity on the world's poorest countries. Now its remedy— more jobs so that the poor can "produce more wealth"—reveals the logic of capitalism and imperialism. The poor are not human beings with needs; they are a labour force whose productivity must be raised so they can be exploited more efficiently.

The Bank's admission that poverty reduction has "stalled" implies that poverty reduction was taking place and had merely hit a snag or a slowdown that could be resolved by more growth and more jobs. Far from being some aberration of capitalism that can be corrected, poverty is a permanent and necessary feature of an economic system based on the extraction of surplus value from the working class by the capitalist class. The Bank's own "solution", to intensify the exploitation that causes poverty, confirms this.

The elimination of poverty requires a unified struggle against the entire capitalist system, by workers and rural masses in rich and poor countries alike, to expropriate the expropriators. The means of production, including factories, land, banks, public infrastructure, and the vast productive forces that capitalism has developed, must be taken out of private ownership and placed under the collective, democratic control of the working class. Production must be reorganised not for profit but to meet human need.

The working class must build its own independent political party, break with all the capitalist parties, and take state power, dismantling the existing state apparatus and replacing it with organs of workers' power. Only then can the productive forces be reorganised on a socialist and humane basis, ending poverty forever.



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