

# POVERTY ALLEVIATION

## A ROLE FOR TECHNOLOGY AND INFRASTRUCTURE?

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### **Welcome Speech**

Romano Prodi

Authorities, Excellencies, assembled dignitaries, dear colleagues, ladies and gentlemen, it's my very great pleasure to open this conference.

The goal of the Conference is twofold: to assess the results of high-tech and simple technologies in the reduction of poverty and to explore the possibility of devising common strategies to fully exploit their opportunities.

We are often told that poverty has been reduced. Doubtless, significant progress has been made in reducing extreme poverty. In absolute terms, the number of people living in extreme poverty fell from 1.9 billion in 1990 to less than one billion today.

A variety of causes have contributed to poverty reduction in the last two decades: first, policies of governments and international organizations directly aimed to reduce

the number of the poor; second, the return of peace and security in some regions previously ravaged by war and conflict.

Despite undeniable improvements, we must not forget that one in five persons in developing regions still lives on less than 1.25 dollars per day and the perception of poverty has, actually, increased even in developed countries. Moreover, poverty reduction has been extremely uneven. Some areas, such as Eastern Asia and South-Eastern Asia, have succeeded in halving extreme poverty, while other regions like sub-Saharan Africa and Southern Asia, have failed so far.

The idea of this Conference originates in the belief that technology can make a real difference in the worldwide battle against poverty.

In particular, we believe that improvements in poverty alleviation will not only be the outcome of political and economic policies, but also the result of technologies, especially those diffuse and decentralized technologies that can foster the economic and social inclusion of people who were previously excluded from markets and their societies.

Although the use of a particular technology is an eminent political decision, tomorrow we will put politics aside and we will focus on the possibilities provided by available technology.

Indeed, technology can be used in a variety of areas, from increasing agricultural productivity to the generation of cheap energy, from providing clean water to improving health.

From this viewpoint, the rapid development of mobile phone in Africa is a case in point.

A relatively cheap technology like the cell phone, with low maintenance cost, has helped the overall economic performance of many developing countries.

Cell phones can be used for different purposes that make a real difference in the lives of the poor: they can be employed for medical reasons, for banking services, and for accessing agricultural commodity prices.

The far-reaching consequences of mobile phone are evidence of the potentialities of technology in making a radical change in the lives of millions of people, especially of those individuals who live in rural areas where there is no adequate infrastructure.

With this I do not mean to suggest that huge investments should not be directed toward the construction of national and regional infrastructure or, for example, toward the creation of power stations.

But I believe that we must not underestimate that a real economic, social and political revolution can take place from “below”, because mobile phone is only one example of many technologies now available.

We should not try to impose our models of economic growth on developing societies, but rather the starting point is to ensure ownership at the individual level. And diffuse and decentralized technology can help to empower people in their own social and economic growth. Strikingly, not only sophisticated technology can make a difference, but simple technology, too, can be applied effectively for fighting poverty.

Tomorrow, some of the participants of this conference will help us in understanding the results of technology in the battle against poverty and we will discuss together if this progress can be extended to other areas of development, especially in the fields of energy, connectivity, and health and food.

I am really looking forward to listen to tomorrow's presentations and discussion. And I am very thankful to everyone who is here tonight and to those who will join us tomorrow.

Before leaving the floor, let me thank our partners in the organization of this Conference: the Pontifical Academy, the Chinese Academy of Social Sciences, the Accademia dei Lincei and the Euro-Mediterranean Academic Network.

I wish you all a very productive conference. Thank you!