

IMPLEMENTING SUSTAINABLE DEVELOPMENT STRATEGIES ON PUBLIC POLICY PROCESS IN ORDER TO COMBAT POVERTY IN EMERGING COUNTRIES

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Abstract:

This research paper aimed to examine the impact of implementing sustainable development strategies on public policy process in order to combat poverty in emerging countries. Although in the recent past a large number of research studies have been published, there is no unanimously and generally accepted definition of poverty. However, a major challenge for emerging countries is to implement poverty alleviation programs based on sustainable development strategies. The causes and effects of poverty are multidimensional and accumulate a growing importance in the context of globalization. Moreover, public policy process should focus on poverty reduction and its negative specific consequences. The importance of sustainable development strategies considering increasing income inequality across most emerging countries.

Keywords : *poverty, public policy, sustainable development, income inequality, emerging countries;*

JEL Classification : F0, J0, H0, O2

1. Introduction

This research paper investigates the impact of implementing sustainable development strategies on public policy process in order to combat poverty in emerging countries. Sustainability is a relatively new concept that involves multidimensional implications. Integrating sustainable development highlights a major current challenge. Moreover, implementing sustainable development strategies on public policy process involves achieving certain economic, social and environmental objectives.

The concept of poverty highlights a different meaning in the context of emerging countries. Poverty is a social phenomenon with profound negative implications but can be eradicated by implementing sustainable development strategies. According to FTSE Annual Country Classification Review released in September 2017, there are the following four categories of countries, ie developed, advanced emerging, secondary emerging and frontier. The particular characteristics of each country converge towards inclusion in one of these categories. However, this classification is dynamic because countries can be both promoted and downgraded. Thereby according to FTSE Annual Country Classification Review for 2017, Poland which is currently an advanced emerging market, is expected to be reclassified as a developed market.

2. Literature review

The main objective of this literature review is to provide a complex framework for the theoretical approach. The issues discussed in this research article represent major current challenges. Liu, Yu and Wang (2015) investigated relevant aspects regarding alleviation of poverty within the framework of SDGs and Post-2015 Development Agenda. Laborde and Martin (2016) have provided an applied insight on the complex effects of slowing growth in emerging market economies for hunger and poverty in rural areas of developing countries. Mestrum (2003) has analyzed the complex implications of poverty reduction and sustainable development and provided arguments that social sustainability and environmental sustainability have become part of the risk management. Birău (2017) discussed significant

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issues regarding sustainable development in public administration in Romania and argued that sustainability represents the “symbiosis between the natural environment and rational use of natural resources which increase efficiency on medium and long term perspective”.

Tridico (2010) investigated relevant issues regarding growth, inequality and poverty based on a sample of 50 emerging and transition economies (ETEs) during the period between 1995 and 2006. Sinding (2009) have analyzed relevant issues regarding population demographic change, poverty and economic development and suggested that in the case of underdeveloped frontier countries in Sub-Saharan Africa it is opportune to implement “policies and programmes to reduce high fertility in their economic development strategies”. Seven and Yener Coskun (2016) have provided an interesting approach on the hypothesis that financial development, in particular bank and stock market development contributes to reducing income inequality and poverty in emerging countries.

3. Empirical analysis

This empirical analysis was conducted in order to determine the impact of implementing sustainable development strategies on public policy process in order to combat poverty in emerging countries.

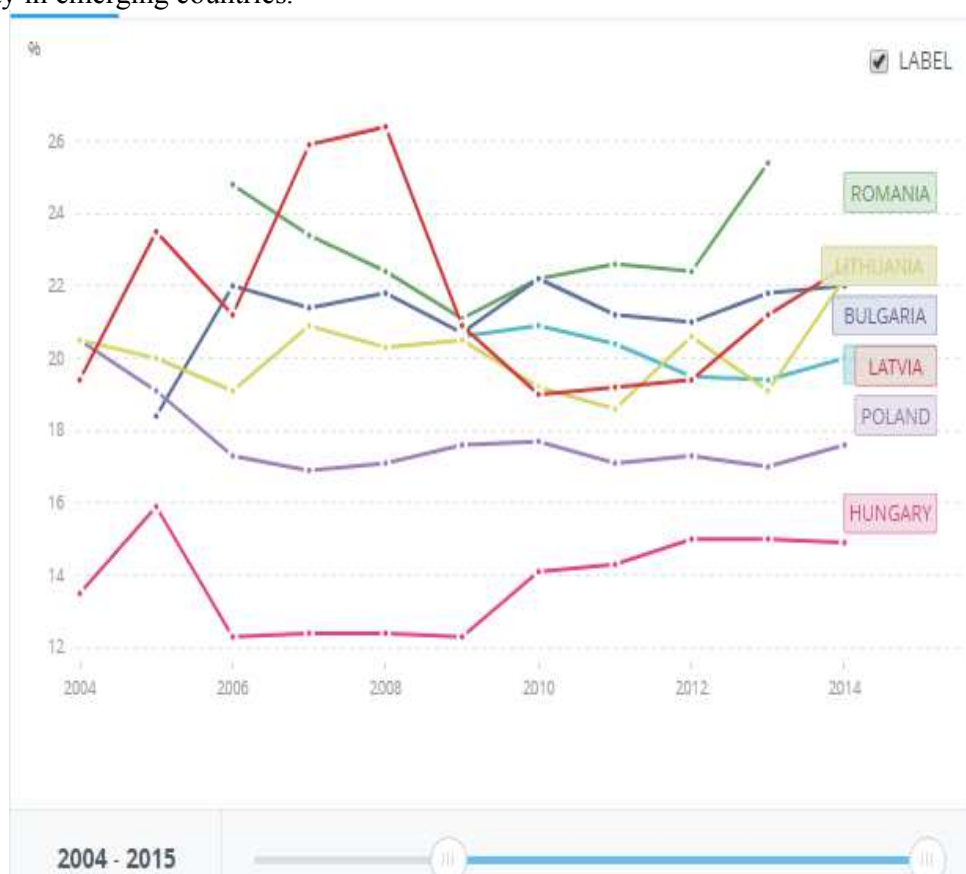


Fig. 1 Poverty headcount ratio at national poverty lines (% of population) during 2004 – 2015

Source : World Bank, Global Poverty Working Group, own computation based on data regarding selected emerging countries in U.E

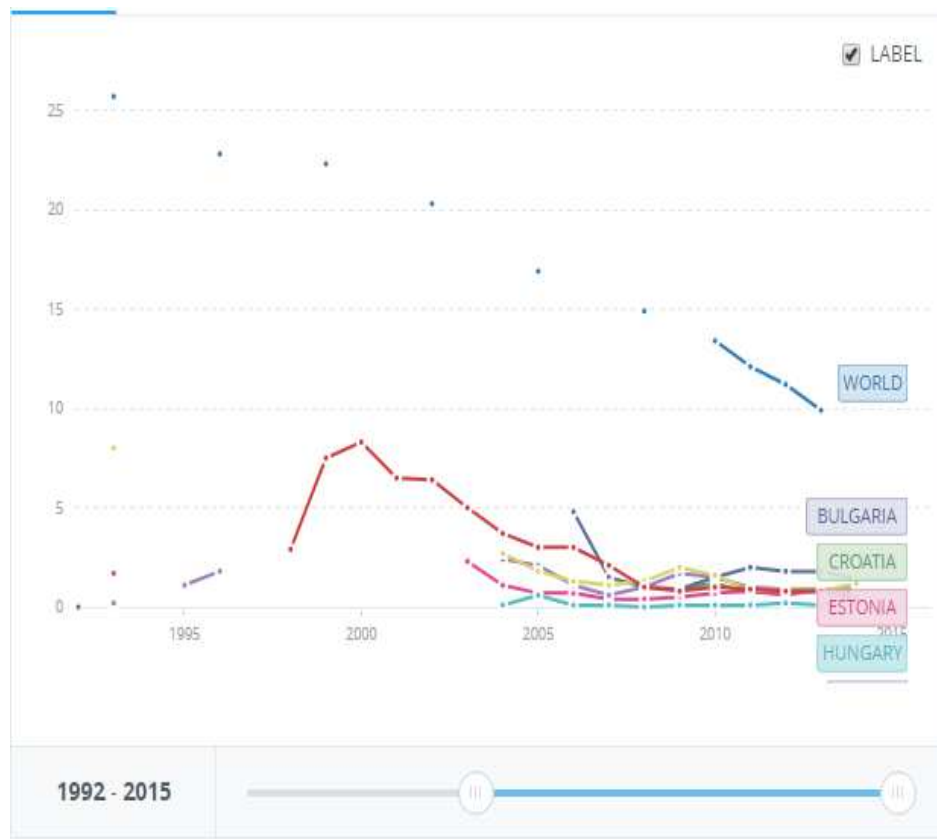


Fig. 2 Poverty gap at \$3.20 a day (2011 PPP) (% of population) during 1992 – 2015

Source : World Bank, Development Research Group, own computation based on data regarding selected emerging countries in U.E

According to official statistics provided by World Bank for the current 2018 fiscal year, the following classification of countries applies, ie :

- **low-income economies** are defined as those with a GNI per capita, calculated using the World Bank Atlas method, of \$1,005 or less in 2016;
- **lower middle-income economies** are defined as those with a GNI per capita, calculated using the World Bank Atlas method, between \$1,006 and \$3,955;
- **upper middle-income economies** are defined as those with a GNI per capita, calculated using the World Bank Atlas method, between \$3,956 and \$12,235;
- **high-income economies** are defined as those with a GNI per capita, calculated using the World Bank Atlas method, of \$12,236 or more.

Moreover UNESCO revealed that the international standard of extreme poverty is set to the possession of less than 1\$ a day.

4. Conclusions

Implementing sustainable development strategies on public policy process in order to combat poverty in emerging countries highlights a significant challenge, especially in the context of globalization. Poverty is a very complex social phenomenon whose multidimensional effects can not be ignored without severe consequences. Poverty reduction is a long-term objective for most countries and also a global concern, but implementation of such an ambitious project is very difficult. Accordingly, the detailed empirical analysis provided in this research article is focused on the quantitative dimension of poverty. However, sustainable development is a reliable alternative in achieving poverty reduction.

5. References

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