## **Americans on Addressing World Poverty**

June 30, 2005

## Americans Support U.S. and G-8 Countries Committing to Spend 0.7% GDP on World Poverty

Full Report

Questionnaire

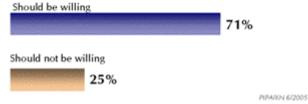
A major focus of the upcoming G-8 Summit of the major industrial powers will be several ideas for addressing world poverty, especially in Africa. A new PIPA-Knowledge Networks poll of 812 Americans finds that a majority of Americans are supportive of these ideas.

One of these ideas is that wealthy countries should commit to spend seven-tenths of one percent of their GDP to address world poverty, especially in Africa. Sixty-five percent of Americans favored the United States making such a commitment, provided that the other wealthy countries do so as well. Support was higher among Democrats (77%), but was still a majority among Republicans (57%).

Another idea that received strong support was for the wealthy countries to commit to a set of goals—called the Millennium Development Goals. Respondents were told, "As you may know, the U.S. and other wealthy countries have set for themselves a series of goals, called the Millennium Development Goals. These call for reducing hunger by half, providing basic sanitation in poor countries, and other goals by the year 2015." They were then asked to assume that the costs would either be an average of \$15, \$30 or \$50 "a year per taxpaying household in the wealthy countries" and that "other countries were willing to give this much." [See note below explaining these cost estimates.]

## Millennium Development Goals

The US and other wealthy countries have set for themselves a series of goals, called the Millennium Development Goals. These call for reducing hunger by half, providing basic sanitation in poor countries, and other goals by the year 2015. Assuming the cost would be an average of \$15/30/50 a year per taxpaying household in the wealthy countries and the other countries were willing to give this much, do you think the US should or should not be willing to do so as well?



Overall 71 percent said that the United States should be willing to give the \$15, \$30 or \$50. There was no significant difference in the level of support depending on the amount assumed. Democrats were only slightly more likely to approve than Republicans.

Steven Kull, director of PIPA comments, "Americans sometimes resist major efforts to address world poverty because they tend to incorrectly assume that people in other countries are not giving as much as they are. When it is assumed that all of the wealthy countries will be doing a comparable amount, Americans show a readiness to spend substantial amounts to address world poverty; amounts that, if committed, would produce a marked reduction in world poverty."

Another key topic related to world poverty to be discussed at the G-8 Summit is farm subsidies. Farmers in developing countries have had a difficult time competing with farmers in developed countries in part because the latter receive major subsidies from their governments. Advocates for reducing world poverty have called for cutting back or eliminating such subsidies.

A large majority of Americans oppose most of the subsidies that go to American farmers. More than eighty percent of U.S. farm subsidies go to large farming businesses. A large majority of Americans—74 percent—favor subsidies to small farmers, who, in fact receive less than one fifth of farm subsidies. However 70 percent of Americans oppose the lion's share of subsidies that go to large farming companies.

Americans also want subsidies to be given in a more restricted fashion than they are presently. While most subsidies are given on a regular annual basis, not just in bad years, only 28 percent of Americans favor giving subsidies to small farmers on a regular annual basis and only 9 percent favor giving such regular subsidies to large farming companies.

The motive for opposing most of the subsidies given by the U.S. government is not, however, derived from concerns about their impact on poor farmers abroad. Most Americans do not appear to understand the effects of farm subsidies on agriculture in other countries. Only 19 percent said that they thought that U.S. farm subsidies "hurt farmers in poor countries," while 71 percent assumed that they "have no significant effect on farmers in poor countries."

Steven Kull comments, "While most Americans do not seem to understand how U.S. farm subsidies can hurt farmers in poor countries, nonetheless, an overwhelming majority oppose most of the subsidies the United States gives to farmers, i.e. regular annual subsidies to large farming companies. Thus the public would probably support the United States agreeing to cut most U.S. farm subsidies at the G-8 Summit, though not out of a desire to help poor farmers."

The poll was conducted June 22-26 with a nationwide sample of 812 American adults. The margin of error was 3.5-4%, depending on whether the question went to the full sample or part of the sample. The poll was fielded by Knowledge Networks, using its nationwide panel, which is randomly selected from the entire adult population and subsequently provided internet access. For more information about this methodology, go to www.knowledgenetworks.com/ganp. Funding for this research was provided by the Rockefeller Brothers Fund, the Ford Foundation and Business Leaders for Sensible Priorities.

**Note:** Cost estimates for meeting Millennium Development Goals

The figures of \$15, \$30, and \$50 per year were varied because there are varying ways to estimate the costs of meeting the Millennium Development Goals. If only one goal is pursued—cutting in half the number of people living on \$1 a day—the World Bank estimates a cost of \$39-54 billion a year in additional aid. If all 20 of the OECD countries that give aid paid their share on a per capita basis, this would result in a cost of approximately \$15 per household. If all the Millennium Development Goals are pursued and are pursued interdependently (the most economical approach) by both donor and recipient countries, the World Bank estimates that the cost would be \$40-60 billion a year or roughly \$30 per household. Allowing for large errors in these estimates, or a lack of coordination in execution, the figure of \$50 per household is a very high-end estimate. (See <a href="http://www.worldbank.org/html/extdr/mdgassessment.pdf">http://www.worldbank.org/html/extdr/mdgassessment.pdf</a> for the World Bank summary paper "The Costs of Attaining the Millennium Development Goals.")