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<th>Acronym</th>
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<td>AIDS</td>
<td>acquired immunodeficiency syndrome</td>
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<tr>
<td>ANC</td>
<td>African National Congress</td>
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<td>BP</td>
<td>British Petroleum</td>
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<td>CCSS</td>
<td>Costa Rican Social Security Fund</td>
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<tr>
<td>COSATU</td>
<td>Congress of South African Trade Unions</td>
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<tr>
<td>CSR</td>
<td>corporate social responsibility</td>
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<tr>
<td>DAC</td>
<td>Development Assistance Committee of the OECD</td>
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<tr>
<td>DHS</td>
<td>Demographic and Health Surveys</td>
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<td>EITI</td>
<td>Extractive Industries Transparency Initiative</td>
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<tr>
<td>EPA</td>
<td>Economic Partnership Agreement</td>
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<tr>
<td>FDI</td>
<td>foreign direct investment</td>
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<td>FLA</td>
<td>Fair Labor Association</td>
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<tr>
<td>FTA</td>
<td>Free Trade Area</td>
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<td>FUNDEB</td>
<td>National Fund for the Maintenance and the Development of Basic Education</td>
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<td>FUNDEF</td>
<td>Fund for the Development of Primary Education and Teacher Development</td>
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<tr>
<td>GCov</td>
<td>group coefficient of variation</td>
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<tr>
<td>GDP</td>
<td>gross domestic product</td>
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<tr>
<td>GGDC</td>
<td>Groningen Growth and Development Centre</td>
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<tr>
<td>GNI</td>
<td>gross national income</td>
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<tr>
<td>GRI</td>
<td>Global Reporting Initiative</td>
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<tr>
<td>HDI</td>
<td>Human Development Index</td>
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<tr>
<td>HIPC</td>
<td>highly indebted poor country</td>
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<tr>
<td>HIV</td>
<td>human immunodeficiency virus</td>
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<tr>
<td>ICT</td>
<td>information and communications technology</td>
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<tr>
<td>IFI</td>
<td>international financial institution</td>
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<tr>
<td>ILO</td>
<td>International Labour Organization</td>
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<tr>
<td>IMF</td>
<td>International Monetary Fund</td>
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<tr>
<td>INGO</td>
<td>international non-governmental organization</td>
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<td>JBY</td>
<td>Janashree Bima Yojana</td>
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<tr>
<td>Acronym</td>
<td>Full Form</td>
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<tr>
<td>KMT</td>
<td>Kuomintang</td>
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<tr>
<td>KNSO</td>
<td>Korean National Statistical Office</td>
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<tr>
<td>LSMS</td>
<td>Living Standards Measurement Study</td>
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<tr>
<td>MDG</td>
<td>Millennium Development Goals</td>
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<tr>
<td>MENA</td>
<td>Middle East and North Africa</td>
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<tr>
<td>NABARD</td>
<td>National Bank for Agriculture and Rural Development</td>
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<tr>
<td>NAFTA</td>
<td>North American Free Trade Agreement</td>
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<tr>
<td>NGO</td>
<td>non-governmental organization</td>
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<td>NRHM</td>
<td>National Rural Health Mission</td>
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<td>ODA</td>
<td>official development assistance</td>
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<tr>
<td>OECD</td>
<td>Organisation for Economic Co-operation and Development</td>
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<tr>
<td>PAYG</td>
<td>pay-as-you-go</td>
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<td>PNAD</td>
<td>National Household Sample Survey (Brazil)</td>
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<tr>
<td>PPP</td>
<td>purchasing power parity</td>
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<td>PRGF</td>
<td>Poverty Reduction and Growth Facility</td>
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<tr>
<td>PRSPs</td>
<td>Poverty Reduction Strategy Papers</td>
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<tr>
<td>SAP</td>
<td>structural adjustment programme</td>
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<td>SEWA</td>
<td>Self-Employed Women’s Association</td>
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<td>SEZ</td>
<td>special economic zone</td>
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<tr>
<td>SNA</td>
<td>System of National Accounts</td>
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<tr>
<td>SUSENAS</td>
<td>National Socioeconomic Survey</td>
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<tr>
<td>TNC</td>
<td>transnational corporation</td>
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<tr>
<td>TRIPS</td>
<td>Agreement on Trade-Related Aspects of Intellectual Property Rights</td>
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<tr>
<td>UK</td>
<td>United Kingdom</td>
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<tr>
<td>UN</td>
<td>United Nations</td>
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<td>UNIDO</td>
<td>United Nations Industrial Development Organization</td>
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<tr>
<td>UNRISD</td>
<td>United Nations Research Institute for Social Development</td>
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<tr>
<td>US</td>
<td>United States</td>
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<td>UTIP</td>
<td>University of Texas Inequality Project</td>
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<td>VAT</td>
<td>value added tax</td>
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<td>WHO</td>
<td>World Health Organization</td>
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<td>WTO</td>
<td>World Trade Organization</td>
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Poverty reduction is a central feature of the international development agenda and contemporary poverty reduction strategies increasingly focus on “targeting the poor”, yet poverty and inequality remain intractable foes.

*Combating Poverty and Inequality* argues that this is because many current approaches to reducing poverty and inequality fail to consider key institutional, policy and political dimensions that may be both causes of poverty and inequality, and obstacles to their reduction. Moreover, when a substantial proportion of a country’s population is poor, it makes little sense to detach poverty from the dynamics of development. For countries that have been successful in increasing the well-being of the majority of their populations over relatively short periods of time, the report shows, progress has occurred principally through state-directed strategies that combine economic development objectives with active social policies and forms of politics that elevate the interests of the poor in public policy.

The report is structured around three main issues, which, it argues, are the critical elements of a sustainable and inclusive development strategy:

- patterns of growth and structural change (whether in the agricultural, industrial or service sectors) that generate and sustain jobs that are adequately remunerated and accessible to all, regardless of income or class status, gender, ethnicity or location;
- comprehensive social policies that are grounded in universal rights and that are supportive of structural change, social cohesion and democratic politics; and
- protection of civic rights, activism and political arrangements that ensure states are responsive to the needs of citizens and the poor have influence in how policies are made.

The report seeks to explain why people are poor and why inequalities exist, as well as what can be done to rectify these injustices. It explores the causes, dynamics and persistence of poverty; examines what works and what has gone wrong in international policy thinking and practice; and lays out a range of policies and institutional measures that countries can adopt to alleviate poverty.