



The Bottom Billion: Why the Poorest Countries Are Failing and What Can Be Done About It

Paul Collier

[Download now](#)

[Read Online ➔](#)

The Bottom Billion: Why the Poorest Countries Are Failing and What Can Be Done About It

Paul Collier

The Bottom Billion: Why the Poorest Countries Are Failing and What Can Be Done About It Paul Collier

In the universally acclaimed and award-winning *The Bottom Billion*, Paul Collier reveals that fifty failed states--home to the poorest one billion people on Earth--pose the central challenge of the developing world in the twenty-first century. The book shines much-needed light on this group of small nations, largely unnoticed by the industrialized West, that are dropping further and further behind the majority of the world's people, often falling into an absolute decline in living standards. A struggle rages within each of these nations between reformers and corrupt leaders--and the corrupt are winning. Collier analyzes the causes of failure, pointing to a set of traps that ensnare these countries, including civil war, a dependence on the extraction and export of natural resources, and bad governance. Standard solutions do not work, he writes; aid is often ineffective, and globalization can actually make matters worse, driving development to more stable nations. What the bottom billion need, Collier argues, is a bold new plan supported by the Group of Eight industrialized nations. If failed states are ever to be helped, the G8 will have to adopt preferential trade policies, new laws against corruption, new international charters, and even conduct carefully calibrated military interventions. Collier has spent a lifetime working to end global poverty. In *The Bottom Billion*, he offers real hope for solving one of the great humanitarian crises facing the world today.

The Bottom Billion: Why the Poorest Countries Are Failing and What Can Be Done About It Details

Date : Published June 1st 2007 by Oxford University Press, USA (first published April 27th 2007)

ISBN : 9780195311457

Author : Paul Collier

Format : Hardcover 205 pages

Genre : Economics, Nonfiction, Politics, International Rel..., International Development, Cultural, Africa, Social Issues, Poverty



[Download](#) *The Bottom Billion: Why the Poorest Countries Are Failing and What Can Be Done About It* Paul Collier.pdf



[Read Online](#) *The Bottom Billion: Why the Poorest Countries Are Failing and What Can Be Done About It* Paul Collier.pdf

Download and Read Free Online *The Bottom Billion: Why the Poorest Countries Are Failing and What Can Be Done About It* Paul Collier

From Reader Review The Bottom Billion: Why the Poorest Countries Are Failing and What Can Be Done About It for online ebook

Bou says

Nowadays, more than 80% of the world population is living in countries that experience economic growth. However, 20% or nearly 1 billion people still live in countries with none or very little growth, are experiencing civil war, plagues and other mishaps. These countries, located mainly in Africa, will stay poor if we don't do anything, allowing them to diverge from an increasing sophisticated world economy and be forgotten, with disastrous results.

Paul Collier, professor of economics and director of the International Growth Centre, states that these countries suffer from on or more development traps that - unless they break out of them - prevent them from growth and cause them to stagnate. But that is not all: even if countries do break out of these traps, they face a new problem: the global market is now far more hostile to new entrants than it was in the 1980s.

This book describes these development traps as follows:

The **conflict trap**: conflicts such as civil wars or presidents refusing to step down incur large economic costs to a country, reducing economic growth. In the time period immediately following a conflict, relapse is likely. Once a country has descended into conflict, the country may spiral downwards in a perpetual civil war (for example Somalia) making escape from this trap nearly impossible.

The **natural resource trap**: paradoxically, countries that are rich in natural resources are usually worse off than countries without any natural resources. This is caused by an economical phenomenon called "Dutch Disease", where the other industries become less competitive as a result of currency valuation due to the revenue raised from the resource. Apart from that, due to lack of transparency and the less need for taxation from the citizens, the government is less likely to be called for financial accountability.

Landlocked with bad neighbours: Poor landlocked countries with poor neighbours find it almost impossible to tap into world economic growth. Landlocked countries are only able to trade with their neighbours, making them economically dependent on their performance. In a continent such as Africa, this can seriously hamper their own growth.

Bad governance: discouraging potential investors of investing their (private) capital in the country.

From his own experience and statistical research, Collier suggests a number of (difficult) institutional changes:

1. Aid agencies (and "rock stars") should be concentrated in the most difficult environments and take more risks, instead of worrying about quick gains to gain public exposure
2. Military interventions should take place once a (democratic) government is ousted in a coup or civil war
3. Create international charters for good governance practices
4. Free trade and preference for Bottom Billion export products

This book provides a good insight in the problems for the Bottom Billion countries, but my criticism is that it

is only provided by one man (the author), supported by statistical evidence created especially for this book. Therefore I don't know how well balanced this book is with regards of objectivity. The poverty traps that are described here are certainly apparent in much of the current African countries, but it doesn't go into the underlying problems, such as ethnic problems and the legacy of the colonial exploitations, which also make it difficult for a country to create sustained economic growth.

2,5 stars.

Praj says

On July 9th 2011, the people of South Sudan took to the streets jubilant, celebrating their country's independence. Alas! The euphoria was short-lived as the newly independent, strictly landlocked country fell into the cyclic trap of civil war; ethnic annihilation and mass starvation taking the centerstage. The recent signed peace deal between President Salva Kiir and the rebel leader Riek Machar, dashed all hope of tranquility as the ceasefire deal was broken through a couple of violent attacks in the oil rich state of the Upper Nile. Although, when Collier penned this book, South Sudan was still on its independence path , yet as of today, South Sudan stands not only among the several bottom billion countries , but it is at the bottom of the very list. Nigeria, which is one of the most focused countries in Mr. Collier's research studies, is being marred by the terror of Boko Haram. The horrendous kidnapping of several hundred school girls and the frequent bombing attacks have once again spiraled the country and its governance into socio-political chaos. Its neighbour Cameroon has also recently had its share of terror-related violence involving the mushrooming of Boko Haram pockets and the attack on the emigrated Chinese workers. Speaking of Chinese workers, China over the years has found Africa as its economic gold mine. The abundance of natural resources and the dearth of stable and good governance seemed to have immensely worked in the favour the autocratic China. The BBC sponsored news segment of Chinese 'chicken farmers' taking Zambia by storm confirms the fears that Collier has expressed on the Chinese business mantra of "**we won't ask question**" taking a less ethical position in the race of fiscal prosperity. It is a known truth that Kenya is not only being crippled by the terrorist act of Al Shabaab(the Somali militia) , but also by the vast corruption that encompassed the governing bodies. In most of the cases, it is the latter that is more dangerous than the former. The Portuguese- speaking country in West Africa -Guinea Bissau, is on the verge of becoming the kingpin in cocaine trafficking and illicit arms trade, soon becoming a heaven for extremists groups and criminals . The list goes on and then one is compelled to ask, "Why is it that Africa is seen as a core problem by the elites of the world, even when there are numerous other countries in the 'bottom-billion' list? Maybe, because firstly even though countries like Afghanistan find itself in the bottom billion, it is in a much more stable neighbourhood when and only compared to that of the African continent. And, secondly since a large number African countries find themselves in the bottom billion, the surrounding neighbourhood is as hostile as the others in the continent, largely creating adverse circumstances. Given Collier's expertise on the African region, the comprehensive prose thus encompasses the thriving problem of poor countries not being able to break in to the global market and why so. Why have the bottom billion countries not grown? Will it ever be able to penetrate into the global markets, currently ruled by two Asian giants – China and India? Is the African youth the only economical vaccine to inoculate the curse of Dutch disease?

"But at the bottom billion the villains have the guns and the money and they usually prevail. With hard work, thrift and intelligence a society can climb out of poverty unless it gets trapped. The four big traps are:- 1) Conflict , 2) Natural Resources, 3) Being Landlocked and 4) Bad Governance."

By definition, the bottom billion constitutes to the “1 billion” populace that thrive in the 58-60 impoverished economies. Adhering heavily on the statistical data, Collier infers that “as of 2006, around 980 million living in “trapped” countries”. 73% of the populace is in Africa. Collier argues the validity of consistent cycle of “traps” factors resulting in the extreme poverty and zilch development prospects in the bottom billion. Civil war tops the entrapment factors, with Collier deducing the highest probability of a relapse of civil war in post-conflict societies. As per as the international law, civil war is seen as a domestic and self-determination matter. Only when and if the ‘rebel’ are accepted as belligerent by the other states thus becoming the subjects of international law, then can the law intervene on the conditions of insurgency and belligerency , but the process is subjective. Thus, Collier’s argument of civil war being an international problem since it hampers the economical conditions seems legitimate yet; the workings of it may be crippled. The suggestion of war and coups could be avoided by democratic political design brings forth a shining possibility. Commodities like oil, diamonds, et. al. Increase the possibility of civil wars. This brings us to the above mentioned “trap” of natural resources. Collier structured his argument on the fact that natural resources have no legitimate ownership whatsoever; it is owned by the one who seizes it. Supporting his research on the 1980s Nigerian oil boom, Collier debates that unlike Saudi Arabia where the entire societies safely lives as “rentiers”, the African countries may suffer from the resource curse of the infamous ‘Dutch disease’. Collier is commendable in his truthful inference of in the “survival of fittest”, natural resources contribute to lengthy conflicts. The trade of natural resources can also be a rather tedious and risky task for landlocked countries where the intricacies of trade depends on the transport costs. Comparing the fiscal environment of Switzerland to that with Uganda, Collier makes it crystal clear how two landlocked countries exhibit vast disparities in their economical atmosphere, concluding the argument on the comparison of the political neighbourhood and their dissimilar treatment bestowed on the respective countries.

Collier with his other colleagues engages in research studies arguing on how poverty is not a trap because one can come out of impoverished circumstances. This however, does not seem plausible in societies overwhelmed by corruption and criminal political misgivings. Again on other stance, where I differ is Collier’s deriving the no relationship equation between the political repression and the risk of civil war. Maybe, Collier identified more with the low-income conditions and illiteracy that empowers the bottom billion societies. Even then the theoretical outcomes appear a bit absurd in the same nerve of another Collier &co. finding on negative relationship between low income and the risk of civil war. The labelling of bad governance of being a trap then become heavily debatable as political repression, poverty , low income and conflicts are all known salient features of bad governance. Collier’s utmost reliance on statistical data and outcomes, make the resulting analysis more mathematical and at times detached from logical reality.

“Why countries of the bottom billion have missed the “globalisation boat”?...When will the boat come around again? If it does, when will the bottom billion actually be able to break into the global markets?

In the process of inducing developmental economic factors in to the bottom billion, Collier fears the blurry prospects of the bottom billion societies making their mark in global markets. Collier’s stamped valid societal entrapment in the form of bad governance and natural resources come in play. Arguing on the exemplar of Zimbabwe’s R. Mugabe’s political strategy of seeking the help of the Chinese government in order to bail Mugabe out from the economical mess; Collier affirms the factual possibility of China becoming the prime investors in Africa. Familiar with the autocratic workings of the Chinese, Collier expresses his trepidation of the bottom billion further spiralling down into a financial downfall. Understandably, Collier emphasizes on the need for more inflow of private capital which would enhance the internal socio-political conditions. Yet, at the same time there are worries about exodus of skilled and educated population into favourable economical societies , the proliferation of corruption due to the influx of private capital , the high likelihood of capital flight and slush funds stashed in foreign banks and the growing adverse effects of Dutch disease. A fairly suitable theoretical answer lies in the hope of private investment,

making a minimal risk trade market suitable for “convergence” from firms relocating into the developing societies to minimize labour wages and resulting wage-gap. As of 2010, China’s investment in Africa has reached \$ 40 billion ; thus ringing true Collier’s trepidation on whether the bottom billion will ever be able to hop on the missed globalization “boat” because the process of socio-political growth is a slow process with the probability of nearly 50% post-conflict societies falling back in to the cyclic trap of civil war.

“Brave people in these societies struggle for change but the odds are against them. Of the four instruments – aid, security, laws and charters and trade --- we are using the first quite badly and the others scarcely at all.”

A staunch supporter of aid, Collier urges the international aid agencies and NGOs for a finding a better and liberated corridor for aid sustainability. The meticulously detailed chapter on aid brings forth a likelihood of safer developmental economical milieu. Collier and his academic team promisingly put forth instruments that would help in unlocking the political conflict traps. Aid becomes the prime rescuer, with Collier suggesting it as a legitimate reinforcement. Although aid speeds up the growth process, Collier claims that aid is still unlikely to be the intact solution to the bottom billion problems for the very reason that it is highly politicized. Collier appeals to the Western world to uplift the significance the issue of aid from being an opportunity of publicity driven photo-ups and a match of sovereign egos. Aid minimizes the risk of capital flight as it helps to sustain private capital within the country. Nevertheless, even with aid being the part of the solution, aid becomes a part of problem, too. Collier’s in-depth analysis on this subject deduces the forthcoming problematic issues of aid inducing slow growth due to failing export activities, the possibility of the aid being used for military enhancement, the proliferation of corruption, flight of monetary and human capital, patronage electoral, ethnic diversities and rebellion and the odds of “diminishing returns”, throwing the societies back in perilous governance. The evidentiary study of aid being used more as military spending than to augment educational suggest the vulnerability of a post-conflict society. Collier’s undertaken research supports the claim of “about 40% of Africa’s military spending is inadvertently financed by aid.” Once again, Collier throws his analysis on wobbly foundation when he claims how the police force would be a better security than the military in preventing further conflicts. It appears to be quite illogical as, even a police force can repress the populace by violence.

To bring the much needed economical development it is necessary to help and encourage “heroes”. It is here, that I undoubtedly and completely agree with Mr. Collier. Reformers have always been the guiding light in the world of development. But, in societies that are plagued with mammoth corruption, political infused ethnic rebellion, drug trafficking and the ever festering poverty, do reformers have a stand? Collier accentuates the importance of laws and charters which are in a terrible need of amendments, thereby helping to implement a better and transparent socio-political and economical developments. A promulgation of an international charter appears to be favoured by Collier as such a charter and laws would likely empower the reformers keeping the political criminals at bay. Colliers presses the need for a stricter and more libertarian charters and trade policies and a need for international institutions like IMF, World Bank, GATT, OECD, NGOs and political forums to establish stricter and firmer methodologies of trade policy that would be fundamental in the developmental process of the bottom-billion. With the bottom billion having infinitesimal and capital-scarce stagnated markets, the need to modify trade policies become essential in order to create liberalization of trade economy and eradicate restrictive trade barriers. Although slightly flawed in its undertakings, Collier passionately urges the Western world to seriously consider the developmental issue of the bottom billion, not as a monetary burden but as an essential task that will help to minimize the claustrophobic economical polarization of the international community.

“Change is going to have to come from within the societies of the bottom billion...”

On development Colliers surmises, “development is about giving hope to ordinary people that their children will live in a society that has caught up with the rest of the world. Take that hope away and the smart people will use their energies not to develop their society, but to escape from it.” Repeatedly, at intervals Collier emphasizes on two prospect of transformation; firstly on how it is essential for change to come within the core of socio-political governing of the bottom billion countries and secondly, how things are needed to speed up. The former conjecture is plausible on every account because only if and when the internal political environment is stable can the country prosper externally. With numerous limitations within the international law statutes and the non-existent concept of a “world government”, for the external investments to easily seep into the countries financial domain the internal environment should be at minimal risk, if not risk-free. Conversely, the latter reasoning was quite worrisome as there are possibilities of speed and political chaos being directly proportional to each other. So, from the process of research quest, in a world where emigration is now looked as a menace to the extent of deportation and imposing stringent laws, a question is derived of whether there are any favourable prospects in minimizing the economical disparity between the two extremely polarized world societies. And, what if the needed “change” is plundered into a political debacle; will the probability of exodus rendered in deepening poverty in the countries of vast natural resources? Could there be a possibility that the bottom billion, a treasure of natural resources, become home to new fluid peripheral ownerships, solidifying the countries that are racing to reach the zenith of the economic prosperity? When will the success of aid be measured by its developmental scale and not by its size? Will democracy in the bottom billion be stuck within the enclosed walls of a voting ballot? Is there a possibility of change?

My previous encounters with Collier had left me jotting down plethora of questions that remained unanswered; asking for a more depth in the written prose. This book is not far from that experience either. Nonetheless, with Collier’s strong academic expertise and experience in the African region, this book gains the clarity of being a concrete groundwork for developmental economics. To say, that Collier’s work in this book is the ‘destination’ would render a certain vulnerability to the economic theories and experiments proposed in this book because it was written in the pre-2008 days. Collier himself has asserted that a number of his theories were yet to achieve the said credibility and thus were unpublished; many of which I presume must have been changed due to World Economic Crisis, post-2008. Having said that; it would be preposterous to easily dismiss this book as certain economic theories proposed are admirable and excellent in their implications and even in their implementations, when required. Thus, it would be appropriate to deduce that Collier’s book is more of a road map that leads to the future agendas of tackling poverty and economical inequality.

Suha Hallab says

Paul Collier is a professor of economics and director of the center of study of African Economies of Oxford University. He was formerly the director of Development research at the World Bank and the advisor to the British government commission in Africa. He is so enthusiastic about the poverty and its solution issue to the extent that he switched his honeymoon to a trip with a scholar to Ethiopia for research ?

When 1/6 of the earth’s people are living in misery and discontent below the poverty line, as per Collier the

world will be increasingly impossible to tolerate. And the sad the truth is the answer is not money, but change within these societies in addition to some help from us, all of us not only the G7 countries should be involved in this case. So the overall thinking should also change beyond the aid agencies. Collier wrote this book that is based on a lot of research and in collaboration with young scholars for more than a decade.

Outline:

So the book is divided into 5 parts:

- a- The first part discusses the subject of poverty and related research
- b- The second part talks about the reasons of why there are 1 billion people trapped in poverty – there are four reasons and Collier mentions in each why it matters for the G7 countries.
- c- Other than the traps, there is an additional reason of being stuck in poverty because of missing the boat due to the pressure of globalization
- d- And of course the solutions/instruments of help for each of the mentioned traps.
- e- And finally the agenda for action and the conclusion.

- Starting with the problem, there are 5 billion people who are prosperous or on the track and the other 1 billion stuck at the bottom falling more and more into poverty and hunger. These two groups are in the 21st century while in reality the bottom billion are living as if they are in the 14th century through civil wars, plague and ignorance.

- These people are mainly in Africa and central Asia, and we kind of know a single method of help which is aid.

We judge this case differently and both are erroneous where the right do not think that these people are stuck in traps but think that if they work hard they can prosper like any country while the left think that capitalism is behind their poverty. The truth is, the bottom billion are stuck because of 4 fundamental reasons: the conflict trap, the trap of being landlocked with bad neighbors, the natural resources trap and the trap of bad governance in a small country; adding that some countries missed the chance of entering the global market because that became so competitive.

- So 70% of these people are in Africa which makes Africa the core of the problem – Collier calls all countries Africa+ as to include Haiti, Bolivia, and Central Asian countries, Laos, Burma and North Korea.

- So what defines these countries: life expectancy of 50 years - infant mortality of 14% - the average income of bottom billion people is 1/5 of average of the other 5 billion – and the gap will only get worse.

Part 2:

So now Collier describes why :

1- Conflict Trap:

73% of the bottom billion people have been in a civil war or are still in one; where the civil war is defined as an internal conflict that involves 1000 deaths with at least 5% in one party.

So why a civil war –

a) According to the researchers there is a link between war and level of income where civil war is more likely to break out in low-income countries.

b) A second reason could be, slow growth stagnation or decline. Collier found that each % decrease in GDP results in a similar increase in risk of conflict. So if an economy declines by 3% the risk increases by 3%.

In other words, life in the bottom billion countries is cheap where people have nothing to lose and joining a rebel movement gives these young men a small chance of enhancing their lives.

c) Depending upon a primary commodity such as oil also increases the risk of civil war, it helps to finance conflict and to motivate it.

- Crazy that the financing of conflict is sometimes from outside the country / immigrants – for ex. The Tamil tigers got money from Tamils in Canada and the bomb that killed 1400 people in Sri Lanka was paid from a Canadian bank account.

- Another finding is that there is no relationship between political repression and civil war/ ethnic minorities are just likely to rebel without discrimination. No evidence between ethnic diversity and civil war.

- Also, income inequality had no effect.
- So why do civil war last so long? The lower the country's income the longer it lasts and they continue because they become normal. Ironically, the government in this case spends a lot on military which only makes the country poorer.
- How much does a civil war cost? A civil war slows down growth by 2.3%; so a 7 year civil war makes the economy poorer by 15%. The cost of a civil war to the country and its neighbors is \$64 Billion.
- So the story is that youngsters volunteer because they are attracted to have a gun where the prospect of death is not so much worse than the prospect of life in poverty; they are YOUNG – UNEDUCATED – AND WITHOUT DEPENDENTS.
- Collier mentions Lebanon in this part in the book, that even developing countries such as Lebanon is unlucky to be stuck in the conflict trap.

2- The natural resource trap:

- This is a paradoxical trap, because we believe that the discovery of a natural resource wealth would signal prosperity and growth; whereas it does exactly the opposite. The truth is it is a curse! So the abundance of natural resource which is exported causes the national currency to rise against other currencies. In this way, the country's other exports become comparably expensive. This is called the “Dutch Disease” which is a terminology used by economists, when the increase in the economic development of natural resource decrease the development in other sectors; because as I mentioned, the increase will cause the nation's currency to increase because of the larger inflow of foreign currency – originating from the Netherlands in 1959 when they discovered the natural gas.
- And in such cases, Collier found out that autocracies outperform democracies and switching from a democracy to an autocracy lowers growth by 3%. The reason behind this is that democratic governments tend to spend too much in the wrong places and mainly not in investment – so resource-rich democracies under-invest. Governments are so fixated at winning the elections that they disregard what might happen afterwards and they neglect investments where investment is extremely important in resource rich countries because it is the only way it can be translated into growth. Democracies not only under-invest but they invest badly. In this section Collier critiques democracies in general where the parties usually compete to attract voters and voters are bribed with the public money. In this case, the voter loyalty to the ethnic community is strong where the objective information available to the voter is weak. We can add to that the media manipulation by the leaders and their negative effect on the elections. And as a result we end up with corrupt winners.
- So if democracy doesn't work, also autocracy doesn't work in the ethnically diverse resource rich countries (ex. Iraq)
- Here is how difficult this trap is.

3- Landlocked with bad neighbors:

the 3rd trap Collier mentions is having no access to the sea and this fact takes out 0.5% off the growth rate. 38% of the people living in the bottom billion are in countries that are landlocked; because of higher transportation costs and because they are highly dependent on the neighbors and their infrastructure. So if Switzerland depends on Germany and Italy, Uganda depends on Kenya, Sudan (which has a civil war), Rwanda (which has genocide) and Somalia (which is completely collapsed).

- So if you are landlocked you can do the following:
 - a- improving the neighbors' infrastructure for the coastal access
 - b- Improve neighbor's economic policy
 - c- Become the safe haven of the region - offer better policies than your neighbors to attract services. And here Collier also mentions Lebanon as it became the financial center of the entire Middle East due to its policies and local.
 - d- Don't be air locked – to decentralize the air services with the neighbors
 - e- Don't be e-locked – have workers with primary education on telecommunications (India).
 - f- Encourage remittances from emigrants and encourage the Diaspora to invest in the country

g- Create a transparent and investor friendly environment

h- Attract aid

- As we can see most of the above are not in the hands of the bottom billion countries itself but they need help from the aiders and international actors.

4- Bad Governance in a small country:

- Exporters need an environment of moderate taxation, macroeconomic stability and some transparent facilities and this lack in countries with bad governance. For example, a study in Chad in 2004 showed that only 1% of the aid given to it reached the targeted clinics.

- So why is there bad governance? Because the leaders of the poorest countries are super rich and they work on keeping their citizens uneducated and ill-informed. And not only that, political reform needs pre-requisite knowledge and there is a chronic shortage of that. And when these poor reformers exist, they get forces against them so they won't be even able to think of a strategy.

- So Collier made a research to check for bad governance based on 20 factors and he found out that democracy is not the answer.

- The answer lies in a large population and with people having secondary education. We need critical mass of educated people in order to implement a strategy..

- The research also showed that reform is best done after a civil war as it is easier to initiate a change.

- The bad news is the sustainability of a change % is 1.6% only (currently Egypt) so countries tend to stay failing for a long time; not only that, the depressive statistic is that the time to make a decisive change is estimated to be 59 years.

- The cost of a failing state is 100Billion\$ over its territory and its neighbors; so if the G7 induces a 7billion\$ intervention to make a successful turnaround, things could probably work out.

Note: Iraq intervention cost so far \$350B.

Part 4:

- So other than the listed conflict traps, there is one more thing, you might just be stuck and behind and you just missed the boat to globalization.

- As a summary the bottom billion countries: 73% are in a civil war, 29% are dominated by natural resources, 30% are landlocked and 76% have bad governance.

- The sad truth is that although globalization has powered the majority of developing countries towards prosperity, it is now making it hard for late comers. Why? Collier tries to explain the reason why it is very hard for the bottom billion countries entering the global markets by defining globalization by trade volume, flows of capital and migration and how Asia made it right now and that it's going to take years and years until the wages in Asia become high so that companies will have to relocate to poorer areas for manufacturing and economies of scale.

- In all cases, the Africa+ countries had several economic failures and lack the confidence to break into world markets, and what is even worse, is that Asia counts on Africa's oil which even locks Africa more into its traps. Moreover, investors aren't really encouraged to invest in Africa considering it one entity as a collection of countries with corruption. And let's say part of the population emigrated for learning, it is going to leave the ones left behind in more darkness and the un-educated ones running the financial sectors of the country.

Part 5: Solutions:

1- Aid:

aid is a subject of controversy between left and right, as left regard it a way of colonialism and right as rewarding the non-performers. Moreover, as per research, aid is subject to the law of diminishing returns as it stops being effective when it reaches 16% of the GDP.

- Aid is mostly effective in countries with good governance

- The World bank only provides loans whereas EC provides grants, and for the European politics, their aid

are mostly directed towards the middle income countries and the loans of the world bank are given to the bottom billion (as the world bank is protected from political influence)

- To be effective in a post war situation, it has to be sustainable for a decade.
- In the natural resource trap, aid is absolutely impotent.
- In the landlocked case, aid is helpful to restructure the transportation infrastructure to reach the coast; should be granted to the neighbors for infrastructure as well.
- With bad governance: aid could be helpful with capacity building and training the locals. However, after educating the locals most of them leave the country.

Note: aid also can make the effect of Dutch disease due to the purchase of the local currency however, unlike the natural resource aid can be stopped.

Aid reduced capital flight and made investment more attractive

2- Military Intervention:

- it is necessary for the restoration of order, maintaining post-conflict peace and preventing coups. However, Collier believes external military intervention should be done strategically and to decrease government spending on its own military for that the country can spend more on investment instead while the external military maintain the peace.

- This is controversial because after Iraq it is difficult to support such a cause , the military was accused by everyone as they were there for the oil and not for maintaining peace however in Sierra Leone the troops were welcomed as there was no oil. The military can help supervise free and fair elections.

3- Laws and Charters:

- so aid and military intervention are expensive while this instrument is cheap.

- Corruption is abundant especially in the construction and bidding field (we know from Lebanon) and that is particularly important in the bottom billion because they need infrastructure.

- Collier believes most conduct is guided by norms and not by enforced laws – peer pressure. He gives the example of after the collapse of the Soviet Union, some countries have done better because of their proximity to Europe and the norms there exerted pressure. There are 5 international norms that the bottom billion should adopt and the aid agencies and the G7 and all of us should promote:

a- Natural resource revenue: awarding the contracts in a transparent manner, let the oil companies participate in the risk, make all revenue payments transparent. Collier suggests that the World Bank and IMF should act as brokers as they have expertise.

b- Charter for democracy: that is a critical aspect, because money is spent during campaigns to support a particular party mainly food clothing and money. And this would not allow for the selection on performance but on how much the candidates spend. There is no ideal way of election campaigns but bribery of voters is not acceptable.

c- Budget for transparency: 20% of the education budget reached the schools in Uganda, the applied solution was that every time the ministry of finance released money it informed the local media and sent a poster to each school. And after this experiment 90% of it reached the schools. So the pressure here is from humiliation and peer pressure.

d- Charter for Post conflict situations: where change is easy and the charter should be a guidance to decrease military spending and transparent budgetary process.

e- Charter for Investment: setting some rules to which a government would commit and that should apply also to domestic investors to control capital flight. There are some international agencies that protect investors however they only protect foreign investors, the investment charter can provide the governments with means to provide investors with some security.

4- Trade policies:

So citizens of the rich world are not to blame for the world poverty as it is simply the default option when economies malfunction; however, trade policy is very important where the NGOs as providers of aid are not experts in.

Problems resulting from trade policy:

- a- The rich countries trade policies are part of the problems as tariffs on processed materials are higher on unprocessed which makes it hard for countries of the bottom billion to diversify their exports.
- b- The bottom billion trade barriers are also the problem: they protect by trade barriers and in that manner the domestic market is too small to handle 1 or 2 firms which set the price they want and hinder competition. The trade barriers here are the key of corruption where a government officer is the best job you can have. The answer to the trade policy problem, could be by regional integration and that only works if external tariffs are low with good access to neighboring markets which will be excellent for landlocked countries. Protection from Asia: what needs to be done here is that the goods and services of Africa to the rich world should pay lower tariffs than Asia- that is hard to achieve but without this push, Africa is doomed until Asia becomes rich and at a wage disadvantage, it will take several decades.

Part 5:

As a conclusion we need an agenda for action:

- We have discussed the instruments of aid, security, laws and charters and trade. We are using aid badly and the 3 others scarcely.
- Regarding the conflict trap: aid should be applied for post conflict situation in a smart manner – donors should fund infrastructure. The need of external military while downsizing the local armies.
- Natural resource: aid does not help – military assistance as the countries are prone to conflict – the need for charters for resource wealth and transparency.
- Landlocked countries: the aid should be substantial mainly for the infrastructure of the roads.
- For the failing states: reform is needed by the educated mass – a little bit of aid and international support of the transparency charters.
- Breaking out of the traps: it is hard as China and India are making the entry of the late comers very hard – aid can help but temporarily – investment charter to encourage local and international investors – most importantly here is trade policy and protection against Asia Giants.

What we should do:

- Aid should condition transparency and good governance and prioritize long term social objectives and they should be unconditional debt relief.
- Military intervention should not be limited to the US, UK, and France, .. Germany and Japan should be involved too.
- Changes in the trade policy and protection from Asia; it is not about justice or fairness but about pulling the marginalized countries aboard.
- We are facing a lack of focus where we lack the strategies of achieving them and the aid is spread equally or not fairly among the low income countries and non-developing countries.
- Poverty is not romantic, the bottom billion need our help. The left has to love the growth, aid is not photogenic for education and health, and it should be used to help the countries break into the export markets. The right needs to move on from the notion that aid is part of the problem;; countries are stuck indeed and competing with China and India is difficult.

Critique:

- The bottom billion was a great journey into the story of world poverty, the reasons behind it, the politics and economics around it and the way out of it.
- Regarding content, the book is very structured as it first described the case, its reasons, the solutions

J says

I was disheartened to learn this book is highly regarded and then sickened to discover it was not published 10 years ago. Collier's ideas are hardly contributive to any insightful analysis of the problem of "development", and even his myopic vision is ill-served by his bland and threadbare solutions.

How could a man as who once served as director of research for the World Bank be so appallingly estranged from the complex realities of Africa? Oh wait, never mind...

I feel oddly embarrassed that this made it to print and found an audience and I hope I am not alone on this one. blech.

Kerry says

I read this for a book club. I will share the poem I wrote about the book:

Trapped at the bottom of the economic ladder
Per capita income, GDP, what does it matter?

A failing state after four years or more of stagnation,
Often includes bad governance, conflict & hyperinflation,
Natural resource shocks and bad neighbors can lead to marginalization
There is a reason tourists don't choose the Central African Republic as a destination.

Can something be done to prevent a downward trend?
Can aid and capacity building help poor states around the bend?

Is it possible for them to join the world economy?
Can we put an end to the rich vs. poor dichotomy?

U2 and the G8 can only help so much,
Enable growth, these countries need more than a crutch.

With Paul Collier's help is it possible we could?
Put an end to the cesspool of misery in a bad neighborhood?
Perhaps a covert rescue attempt from an Oxford Scholar
Could prevent diminishing returns on your aid dollar....

Alas the useful idiots for trade barriers do advocate
And the self-interested, bribe leaders in order to placate
The real bugbear is military extortion
With the strike of a pen or some cash in a suitcase, your money they'll apportion

The bottom line, the bottom billion deserve increased attention
Save the youth bulge from extremist intervention

Only time will tell what the future will hold,
For the sake of the bottom billion---ACT, BE BOLD!

Ericka says

Poor scholarship

Lacks critique of objections to his proposed solutions

Lacks evidence--debunks failed policies based on his word with no supporting evidence

Fails to address health and education issues

Obvious bias towards capitalism and free market economies being the solution to world problems

Lacks citations of any data rather uses a "based on previous research" approach which nullifies any empirical claims of this particular book

Frank Stein says

I thought this book might be an effective counterpoint to William Easterly's "The Elusive Quest for Growth," but instead of focusing on foreign aid, Collier focuses on the internal problems in poor countries that inhibit economic growth, and thus he largely complements rather than contradicts Easterly's analysis. This work is based on an entire career of rigorous scientific research, and Collier puts it to good use in a book that is both dense and fast-paced.

Collier has identified four main "traps" to economic growth in the Third World, namely, conflict, the natural resource curse, being landlocked, and bad governance. Everyone acknowledges that these are problems, but Collier is the only one who has done the analysis needed to tease out how big these problems are, and, at least hypothetically, to find out where causation lies in the poverty cycle.

Importantly, Collier counsels against focusing on the trendy metrics for Third World success so often used by anti-growth and anti-trade advocates, such as environmental habitat protection and female schooling. These may indeed be important, but Collier argues that the fundamental problem with poor countries is that they're, well, poor, and that the best thing that can be done for them is to get them out of poverty. Per Capita GDP growth, then, is the best measure for success in escaping poverty. This may seem to be almost an intuitive tautology, but when Collier worked at the World Bank the most controversial paper he wrote was "Growth is Good for the Poor." This even garnered him a concerned call from WB President Jim Wolfensohn. This is downright depressing.

Collier also attacks those other enablers of Third World poverty, First World sympathizers with Third World revolutionaries, whom he accuses of indulging in Marxist romanticism. As Collier thoroughly documents, most of these "revolutionaries" are no more than armed thugs. Statistically speaking, rebels in poor countries aren't any more likely to be poor than the country as a whole, or to come from an area with more inequality, or to live in a country with political repression, or even to live in a country with a colonial history. In a poll done in the Nigerian delta, rebels were no more likely to feel "aggrieved" about the government than non-rebels. Most just want resources and guns. As an example he describes the Fijian revolutionaries who chanted "Fijians for Fijians" in 1999 as their leader began an armed struggle against their "foreign-dominated" government. Just turns out the rebels' leader had recently served as a consultant for an American mahogany company that lost out on a government contract and he, understandably, wanted revenge and a new contract. In the vast majority of cases, these are the real reasons for Third World rebellion.

Most surprising perhaps, Collier found that countries with more ethnic diversity didn't seem to have more civil wars, contrary to everything we hear in the media. Countries who have a diversity of ethnicities AND who have one ethnicity in a slight majority, a condition he calls "ethnic dominance," do tend to have a slightly increased chance for war, but this is a relatively small statistical relationship and most of the countries in the "bottom billion" are far too ethnically diverse for this to have any effect.

The main correlates he finds with civil war seem to be: a large country with population focused along the outskirts (more places for rebels to hide, see Congo), natural resources, more young people, and most importantly, poverty and low growth. Coups are like civil wars in terms of causes except natural resources don't matter (but increased aid seems to encourage more grabbing for the government largesse). The best prophylactic in both cases is wealth and economic growth. For this, he advocates increased aid to infrastructure, aid conditioned (ex poste, importantly) on already implemented reforms, and a focus on liberating the press and ensuring due process of law in democratic government, not mere electoral competition, which, on its own, seems to lead only to more corruption.

One of his most interesting findings is that democracies do tend to grow faster than autocracies in most cases. Previous researchers have found little correlation between democracy and growth, or sometimes even said that dictatorship helped a country economically, but Collier shows they forgot one important factor, natural resources. In the absence of natural resources democracies outgrow autocracies by about 2% a year, a huge difference. But when natural resources (oil, diamonds, timber, etc.) are more than 8% of a countries' revenue, autocracies outgrow democracies, apparently because democracies tend to thirst more after the resource rents and spend it on pork-barrel projects. Democracies can fix that problem though by having more property protection and more free press, after which they come out ahead again. Autocracies are also especially bad in ethnically diverse societies (like Iraq, as opposed to homogeneous China), while ethnically diverse democracies tend to thrive (see Botswana). So points for ethnically-diverse democracy!

There's much more here, most of it fascinating. Almost all of the research behind it, however, is based on numberless multivariate regressions, and that makes me somewhat suspicious. With about 150 poor or developing countries to investigate, there is some room for statistics, but that's still a fairly low N number, subject to endless machinations. In any case, the amount of support he's received internationally since this book's been published is encouraging, and hopefully it will point a new direction for First World assistance.

Jason says

Collier loves his research. He also loves the research of people who have studied under him. Finally, he loves the research of people he works with.

While I have no doubt that his research has produced some fruitful insights into poverty, I don't think his book is the amazing must-read development book of the year - or even a book really worth reading. Here's the nutshell version, that will save you some money:

The bottom billion people out there (part of a number of countries Collier won't name because he doesn't want to make things worse) have it bad. Really bad. They're not likely to get better anytime soon for a lot of reasons. Throwing money at the problem won't necessarily solve it. We need to have a concerted effort to bring up their neighbors and drag the bottom billion along with them.

There. I said it in what, 100 words? Collier, I admire your ability to wax poetic about research papers, but it's

not necessary to refer back to your research thousands of times in such a direct manner. I blame your editor, mostly.

Diego says

Short and to the point. The support to the poorest countries can't continue to be reactive and focus on the negatives already occurring in these countries. Instead the focus should be on enabling growth within, and that requires a change in their culture, and ours. External policies can help to enable this growth if planned smart. You have to give the people hope, not a band aid for an existing single issue.

The focus of the book is about the "traps" these countries are in and cannot get out of, and has a heavy focus on Africa.

First is a conflict trap that due to civil war. He created a model to show the likelihood of internal war (though in not a fan of creating models for ease of labeling) They are: low income, poor growth, and dependence upon a single commodity or natural resource. These conditions are ripe for rebel groups. The odds of a country falling into a civil war is one in six, same as Russian Roulette.

What's also surprising is that African governments are afraid of their own armies since they are more prone to coups.

Current to date example in 2017 is in Nigeria with militants stealing oil, reducing their international sales. <https://www.bloomberg.com/news/article...>

Conflict is usually tied with rich and abundant natural resources, creating the resource trap. A country with one major resource like oil or diamonds will drive up the currency worth internationally and impact other exports due to the high costs. The poor economic environment has not shown to work as a democracy since profits are not invested in R&D. Thus, a democratic system hasn't shown to work and people would rather be in the volatile environment for chances of high profits. Naturally then politics don't work which end up high in corruption with no checks and balances or accountability. The lack of need for taxes mean that the people don't inquire where money is spent. Interesting.

Land locked countries have issues as well, as this is well known and documented. I like how he goes into strategies to improving growth for landlocked economies. Basically comes down to improving your neighbors which will enable the normal list of growth strategies. If you have a dysfunctional neighbor, then your chances of growth are much worse if that neighbor is next to a major water source. A functioning seaport may be the single most favored focus for growth.

Globalization isn't necessarily helping these countries either with lack of private capital flow and China bailing out the debt of bad policies, thus prolonging poor leaders.

Human capital or educated citizens are fleeing as well, whom are required for growth to enable innovation within their home lands.

Considerations for turnaround include providing financial aid, but this has not shown to help since there isn't guarantee the funds will be spent correctly on say infrastructure, and also corruption stands in the way of proper distribution.

Multiple ideas for turnaround are explored, he starts with these basic three: incentives, skills and reinforcement. Incentives don't work because the people naturally resist direction, like a parent telling a child to do something but instinctively resists. People think they are trading one ruler for another. The skills section is interesting. The idea is to provide skilled people or ex-pats to help their development rather than teach new skills. If people are taught skills to an international standard, they use them to find new opportunities in other high paying countries. I personally saw this when working with Kenya Airways and their engineers and mechanics. Engineers and mechanics are being offered more money at airlines in the Middle East like Emirates or FluDubai, so they flee their country leaving their national airline. This prevents the airline from growth and leaves them struggling to maintain operations. There is still one operations

manager there I consider a good friend that manages a large portion of the operations for their fleet, singlehanded. He has been offered the same opportunity but has refused not to take the job despite understanding that it would be a good pay raise. I asked him why he would not take it, and he said with a smile, "This is my home". I could see the pride in him emanating. He knows his country needs him, especially running the operation for their national airline and maintaining supply and demand flow. The airline contributes to 10% of their GDP as mentioned on their website.

The third aid is for reinforcement or infrastructure. The belief is that this only works if the funds are provided as a venture capital fund which enables performance accountability.

While aid is not perfect and simply throwing money at the country does not work, it must be complimented with supporting policy and structure. A bit of chicken and the egg, but they have to start somewhere.

Military intervention has shown to help at times, but not lately with the invasion of Iraq. Providing financial aid to domestic militaries only exacerbates the internal conflict issue as it can lead to military coups.

The prisoners dilemma labeled by game theorists is interesting as governments allow corporations to bribe poor countries with tax incentives to expand there. Tax payers are paying for bribes, which is illegal domestically. But the fear is that if discontinued, other countries and corporations will just steal market share. I need to read more on game theory.

To create democracy, fair elections are required. Focus on where money is spent, for example the local television or radio stations, is important so that propaganda isn't spread by one rich campaigner. Thus campaign finance should be regulated. Too bad that doesn't apply in the US. Russia spends four times as much as the US.

Drafting various charters are proposed to help: democracy, investment, post conflict and budget transparency.

Financial support from charities need to be involved, like Christian Aid whose donations are going nowhere since they employ an economist that has no publications and no other economist know this person. Which means their input is one sided and has not been scrutinized by others. There is a term used for these supporters, "useful idiots".

Overall, good book about troubled nations. Spot on about Nigeria as they continue to have problems since this book was released in 2012. It seems as though he writes specifically to the G8, in hopes they are reading. Informative book written by someone with hands on experience. This is a recipe for interesting facts rather than opinion. Reform can only happen from within, but outside developed countries need to contribute better by enabling their growth instead of their weaknesses. Based on Collier's experience, it seems as though progress is achievable if only external countries stop the lazy policies and grow some balls.

Jan says

-If you consider to read just one book about poverty and aid this one is well written, 190 pages, inexpensive, gives insights other books not necessarily give you - a good choice. Be warned that you might want to read more on the topic after finishing this book.

-This book analyzes scientifically why the bottom billion countries remain the poorest while countries as China and India experiences rapid growth, to what extent anything can be done about their situation and to what extent existing policies are effective.

-The scope of this book is not to give you an insight into the daily lives of the bottom billion or to learn about the history of these countries. If you search for that you need to look other places.

-The authors research presents «4 reasons for misery» - conflict (73%), they have natural resources (29%), they are land locked with bad neighbours (38%) and bad governance in a small country (75%). The author presents «4 instruments to rescue» - aid, military intervention, laws&charters and trade policy.

-The book explains how and in what order, what instruments are effective. To be effective, they must be aimed where most likely to fail. This means more (not less) money, time, courage and research on risk management, not lowering the ambitions to where we are more likely to succeed.

-Lack of figures and tables is a shortcoming of this book. The 4 traps and 4 instruments idea, could easily be put into a 4 x 4 table, listing what instruments are effective in the different traps, with some example countries. When we read 190 pages about these countries we want to know what countries we read about...

-Some important up-to-date examples and topics for this book is left out. The new landlocked country South Sudan and that land locked Ethiopia is the only country recognizing access-to-sea Somaliland. It is a lot of up to date conflict, landlocked countries, military intervention, infrastructure project etc material here.

-As another reviewer has pointed out, the author has left out micro-finance. The author's answer on why - «I can not include everything» is not convincing. Micro-finance is probably more important than fair trade, if the author has a research backed reason not to believe in Micro-finance, it is interesting and on topic to know why, as he does with fair trade.

-The Baltic States did not have had a better economic performance than other former Soviet Republics, due to promise of EU membership as such. Then Moldova and Ukraine would not have the 3rd and 5th biggest fall in GDP among the former soviet Republics, while Kazakhstan's fall was lower than Latvia's and Lithuania's. The political institutions in the Baltics in before WWII and the corrupt political institutions in Ukraine, that Estonia and Latvia were the richest Soviet Republics and the civil wars in Moldova and Georgia (also big fall in GDP) probably explains much - based on the authors «trap's thinking». (Verena Fritz - «State Building» from 2007 have more on this).

-It was not Shell's plan to lower Brent Spar in the North sea, but on 2500 meters in the Atlantic Sea. Greenpeace later apologized to Shell the 5th of September 1995 for the disinformation that there was 5500 tons of Crude Oil in the platform (but notes their position was not solely based on the presence or absence of oil...). According to an independent report Veritas wrote, it was substantial environmental risks if bringing the platform to the shore. The point is that the story is slightly more complex. See "Brent Spar" in Wikipedia for more info.

These examples are not that important, they are not even about the bottom billion. That is part of the point though - why include them, especially when you have not bothered to study them more closely in a book that speaks up against Aid organization's lack of testing their results scientifically? Both examples are in the laws and charters chapter. This chapter and the one about military interventions are arguably less well-written than the others. From the hand of an Economist this is understandable. That does not make them better though.

-The «critique» from some reviewer's of this book claiming that it has an «neo-liberal agenda» - what ever that means - is by no means fair. Quite on the contrary, my experience with Amazon customers reviews tells me that when you find 1 or 2 reader out of more than 20 or more that does not recommend a book about social sciences because it is «neo-liberal», you can ignore their critique.

Enjoy your reading, I hope to see better use of tables, inclusion of micro-finance, the Ethiopia/Eritrea/

Somaliland and the Sudan/South Sudan cases in the next edition.

Bojan Tunguz says

This is one the best policy books that I have read and an example of what a good policy book should be all about. It deals with the subject that is often in public spotlight and yet it seems as intractable today as it was decades ago. This sad state of affairs may in at least part be attributed to some of the misunderstanding of what global poverty is all about, who is most affected by it, and what sort of traps those most affected find themselves incapable of escaping. As this book clearly argues, the so called "poverty trap" in and of itself is not a trap at all, since otherwise all World would still be as poor as a few centuries ago. Furthermore, vast segments of the "global poor" actually live in countries that are developing at a more or less steady pace and can expect to be lifted out of that poverty within a generation or two. The ones who seem stuck are the bottom billion of the world population, and this book deals with them. The research that this book is based on comes up with four basic traps that could permanently hinder the poorest countries in development. The traps, some of them counterintuitive, are:

1. The Conflict Trap
2. The Natural Resource Trap
3. Landlocked with Bad Neighbors
4. Bad Governance in a Small Country

Not every one of the poorest countries in the world is subject to all of these traps, but they are subject to at least one of them. Furthermore, Collier is not content to just describe the problem; he offers several courses of action that can deal with them. At least one of them, military interventions, has been largely discredited lately in the eyes of the public and policy wonks alike. However, if we are sincere and serious about helping the poorest in this world, we need to keep the military option open.

All in all, this is a wonderful book that is both data-driven and engaging. Even if you have not followed the issues surrounding global poverty in the past, this book may induce you to get engaged in thinking about it more actively and seriously.

Diego says

El libro es un clásico en la literatura de desarrollo y parte de algunos de los papers más famosos de Collier y sus autores como Greed and Grievance con Anke Hoeffler y lo que haces es elaborar el caso de porque es importante elevar rápidamente los niveles de desarrollo en las sociedad donde se encuentran los mil millones de personas más pobres del mundo.

El libro se divide en dos partes fundamentalmente una primera donde se explican las trampas que evitan que estos países se desarrollen, las guerras civiles, la falta de acceso al mar, la corrupción y las malas políticas públicas y una segunda parte que se enfoca en su propuesta para tratar de solucionarlas, desde intervenciones militares criticas, hasta el establecimiento de estándares internacionales y el rol del comercio internacional.

Es un trabajo de divulgación muy bueno pero que no deja de ser polémico por su promoción de intervenciones militares o por su feroz critica a las ONG que atacan sin entender el comercio internacional o

al crecimiento económico. Independientemente de las partes polémicas, a sus 10 años de existencia sigue siendo una lectura indispensable para entender el contexto de los retos del desarrollo particularmente en África y que de forma un tanto extraña tiene algunas lecciones para países en desarrollo (no africanos) que quizás sean más útiles que algunas de las soluciones que a veces copiamos del mundo desarrollado.

Pooja says

This is an important book for anyone interested in the priorities of mainstream development economists. Philosophically, I disagree with the prescriptive parts, which focus (unsurprisingly) on GDP growth and stability, but I found the diagnosis/analysis of poverty and instability useful. And the prose is good for an economist

Will says

This is an incredibly frustrating book. Written by one of the world's most influential and respected development economists, Paul Collier, *The Bottom Billion* has become a sort of how-guide, the Book for much of the ever-divided development community. His ideas are easy to understand (civil war = bad, natural resources trap = bad, bad governance = bad for investors, landlocked countries are disadvantaged) and present no challenge to the structure of the world economy that punishes the poorest countries, except for some passing criticisms on the global trade system. For the elite, it's a reassuring narrative: Spend aid more effectively, don't be afraid to intervene militarily, don't feel guilty over the colonial past (which Collier completely ignores). There's plenty of room in the global manufacturing economy for everyone, and we just need to give a helping hand to the countries where the poorest billion people live so they can reach the lowest rung on the ladder.

For anyone who has read the news or the scholarly literature over the last 10 years since this book was published, it's laughable. The salient points are common sense propositions, interspersed with extremely obvious free market bias that Collier refuses to back up with any evidence. He continuously digresses to make fun of "Marxist" economists (which I think for him means anyone left of himself). It drove me mad reading again and again his supposed commitment to empiricism and calls for a unification of development discourse and then watch him insult everyone who doesn't agree with him, on the left and the right. His statements undermine the only redeeming quality of this book, Collier's empirical economic research, which has contributed to our understanding of the connections between poverty and civil war and the spillover effects of violence in one nation on economies of its neighbors.

Much of the evidence that he provides – and it's 99% his own or his collaborators' research – has not yet been peer-reviewed and confuses correlation with causation. Why hasn't he updated the book in the 10 years since its publication? He presents no disagreeing evidence, giving the lay reader no reason to doubt what he's saying. The specialist bangs their head in frustration at the amount of groundless claims, desperately searching for a bibliography or footnote section that just doesn't exist. In the introduction, Collier understandably claims that he doesn't want to burden a general reader with academic footnotes. But why doesn't he at least have a bibliography or an endnote section so that an academic audience could critically assess his findings? This is hubris.

The most inexcusable part of the book for me was his unabashed support for Western military intervention in

the developing world. This book was not written before 2003; Collier was well aware of the American military's failure in Iraq in 2003. He favorably cites the limited military intervention of the British in Sierra Leone civil war in 2000, and I'm sure he would support the French military's involvement in the Mali in 2013. These two conflicts without a doubt made the situation on the ground better, but they are two among hundreds of Western military interventions, often politically motivated, that killed millions – like today's awful Yemen conflict – and have rapidly deteriorated the situation in many of the "Bottom Billion" countries.

Collier's call for a near-complete dismantling of these countries' armies because of coup risk and their replacement with Western forces to stamp out corruption may sound nice to some. But, as we've seen with corruption and sexual violence that the French mission in the Central African Republic between 2013 and 2016 brought, Western armies are often no better than local armies. While Collier vehemently denies that this would be a form of neocolonialism, he's just wrong. When former colonial powers' armies are in charge of the security situation of a vulnerable country, what else is it?

Collier provides so little proof for his findings, yet presents them as incontrovertible fact. There's so much more to criticize in *The Bottom Billion*, like Collier's belief that the WTO would allow specialized trade advantages for the poorest countries and his advocacy for international charters on every conceivable topic that would severely limit governments' ability to make political decisions, but it's not even worth exploring. Skip this frustrating book unless you want to better understand the prevailing discourse in the development community.

Jennifer says

Really fascinating book about why countries like Haiti, Somalia, Chad and the Central Asian "Stans" have failed to develop towards middle income status, whereas the rest of what we call the "developing world" has made real progress. Collier is better on the problems, I think, than on the solutions, but not bad on either. This is the best, clearest explanation I've ever read about why oil and mineral wealth can be so detrimental to a country's growth. (Because it crowds out all other export activity and encourages the worst kinds of corrupt politicians to vie for office in the quest for power). And also why significant flows of aid money can have more or less the same effect as oil revenues. (Again, it crowds out exports and increases corrupt.)

For the record the four traps that have impeded progress are: conflict, natural resource wealth, poor governance and, oddly, being landlocked and surrounded by bad neighbors (Uganda, Rwanda, etc.). Collier has some interesting ideas about structuring aid, intervening militarily and creating various kinds of "charters" that would encourage better behavior, but he's most interesting about his statistical analysis of the way things are right now.

Highly recommended if you're interested in this sort of thing at all.
