

## Potential Effects of Globalizing Social Media on Developmental Poverty

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#### INTRODUCTION

This research project seeks to grasp the pervasiveness and consequences of rapidly globalizing social media within modern political institutions and developing economies by addressing the following questions:

- In what specific way does widespread internet connectivity affect developing economies?
- What are the barriers to broadening access?
- How can connections between social media and poverty be harnessed, whether through private or public policy means, to address current barriers to broadening access?

#### POVERTY THEORIES

According to *Why Nations Fail* by Daron Acemoğlu and James A. Robinson, nations remain impoverished today because they utilize extractive political or economic institutions.

# Extractive - Designed to extract incomes and wealth from one subset of society to benefit a different subset. - Can create economic prosperity, but the growth is often impermanent and inefficiently utilizes available resources. - Because most extractive nations to creat civil right.

- Because most extractive nations utilize some form of absolutist control, the public lacks the privatized incentives to innovate and improve productivity, thus choking economic growth and resulting in a larger proportion of poverty.

- **Inclusive**
- Allow and invest in public participation in economic activities, striving to make the best use of society's skills.
- Tend to feature secure private property, an unbiased system of law, a level economic playing field, freedom to create new businesses, and basic civil rights for citizens.
- Most of impoverished nations, historically and presently, lean more toward extractive institutions rather than inclusivity.

Theory: Poverty exists because political and economic institutions are set up in ways that discourage productivity and individual incentives, and the state of poverty cannot be improved unless political institutions causing poverty are redefined.

➤ In *Poor Economics: A Radical Rethinking of the Way to Fight Global Poverty*, Banerjee and Duflo advocate the use of foreign aid to target the smaller, more pervasive causes of poverty: not amount of food for the poor, but nutrient density of the food given to them; not more health clinics built and staffed in rural areas, but the right type and amount of medicines and trained personnel in higher quality health clinics; not a higher number of schools, but a higher number of trained teachers; not the subsidization of insurance premiums for the poor, but widespread education on why insurance is necessary and how to use it to your advantage; not more jobs, but stable jobs. Once the poor have access to the social safety nets and basic necessities we take for granted, they will be better equipped to lift themselves out of poverty.

#### DATA/RESULTS

### In what specific way does widespread internet connectivity affect developing economies?

#### How the internet enables economic growth

The internet offers unprecedented opportunities for economic growth in developing countries. By providing access to information, connecting people to businesses everywhere, and opening up new markets, the internet can transform the very nature of an economy and support economic development.

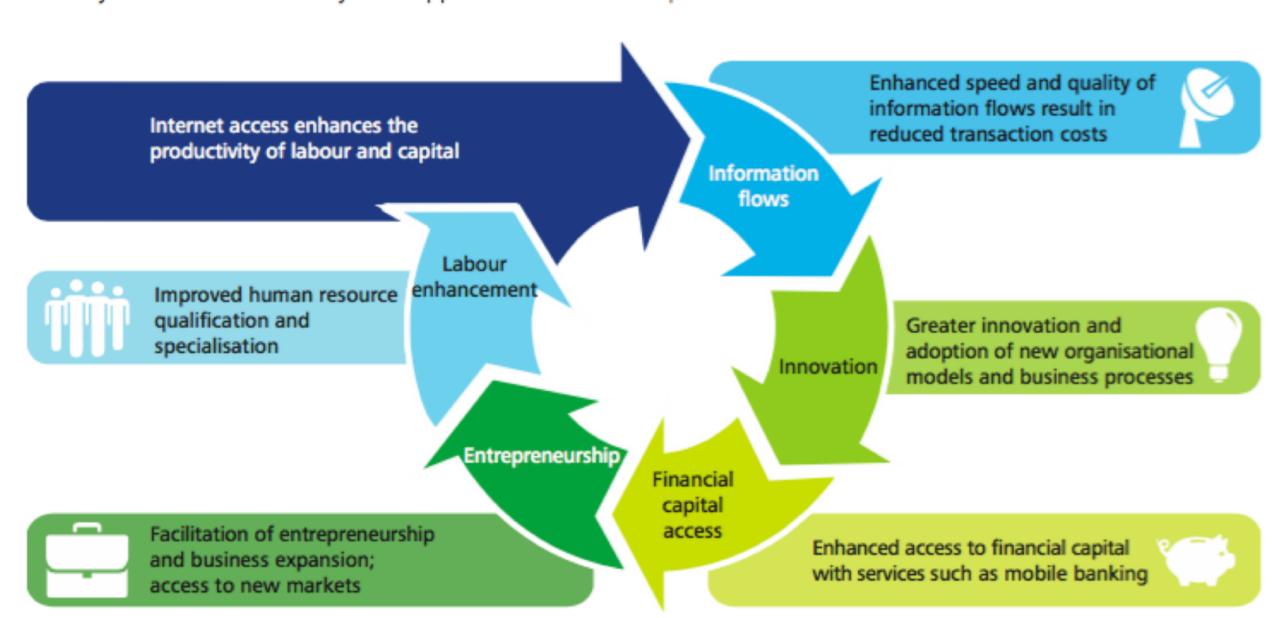


Image Reference: *Value of Connectivity: Economic and Social Benefits of Expanding Internet Access*. <a href="http://www2.deloitte.com/content/dam/Deloitte/br/Documents/technology-media-telecommunications/ValorConectividade.pdf">http://www2.deloitte.com/content/dam/Deloitte/br/Documents/technology-media-telecommunications/ValorConectividade.pdf</a>

#### - Information accessibility

- "Democratization" of the ability to start businesses, campaign, donate, or promote activism
- Propagation of social improvement initiatives, nonprofits, and services which use internet, information and telecommunication technology to provide services targeting basic necessities

#### What are the barriers to broadening access?

Lack of internet Of the world's 7 billion people, only 2.7 billion have access penetration in to the internet. The vast majority of the 4.3 billion that developing countries remain unconnected live in developing countries. Internet penetration in 2013 was at 74% of developed Lack of affordability and service countries' population, 45% of Latin America's population, availability in 21% of South and East Asia's population, 20% of Africa's developing areas population, and 13% of India's population. Restrictions/policies Internet censorship poses as an ethical barrier to expanding

# Internet censorship poses as an ethical barrier to expanding access—choosing between the quality versus the quantity of regions provided with internet access. If providing internet access in developing areas does not serve a profitable or strategic purpose, expansion is often not held as a governmental or corporate priority, but rather a humanitarian one.

#### DATA/RESULTS

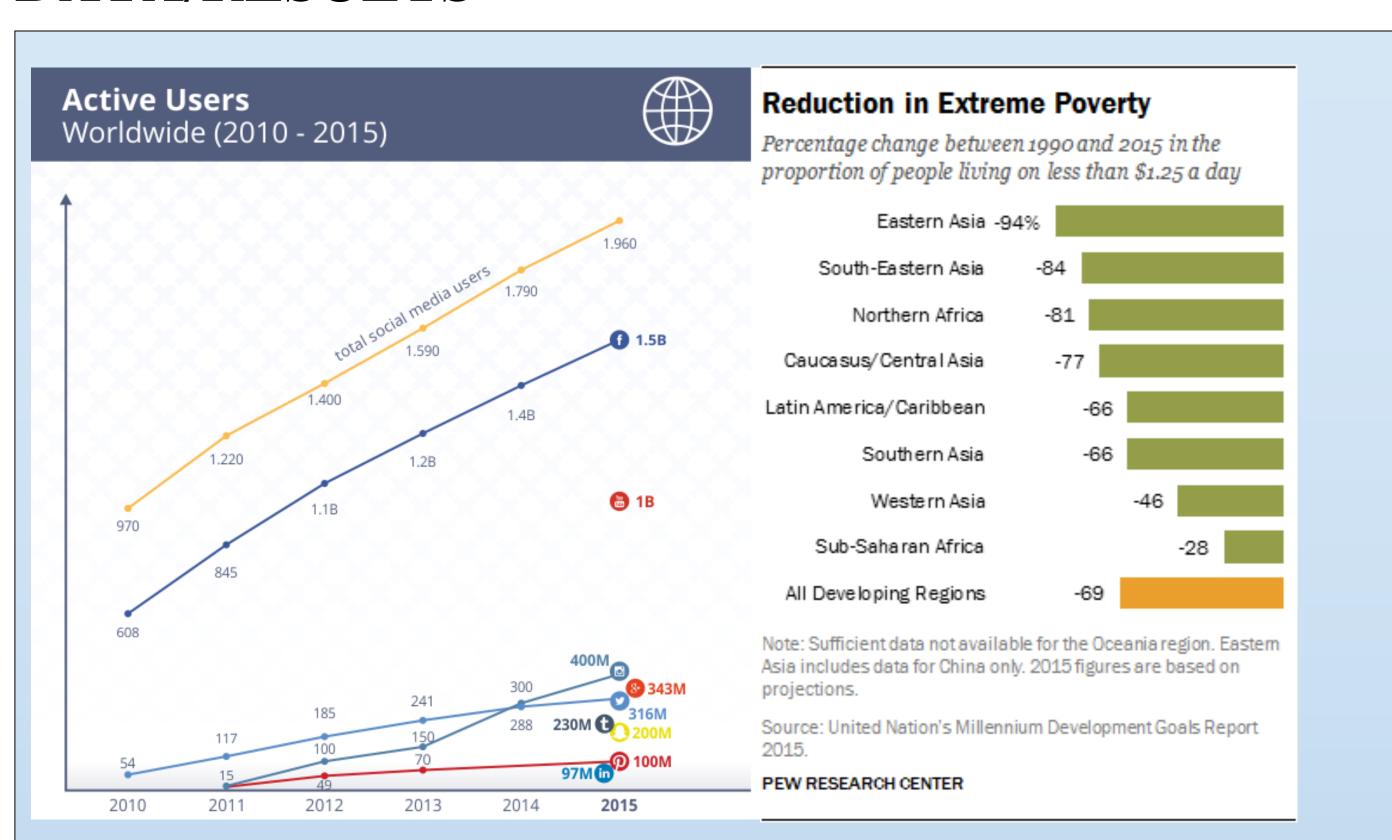


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How can potential connections between social media and poverty be harnessed, whether through private or public policy means, to address current barriers to broadening access?

Social media is booming in usage, while the overall percentage of global poverty is declining.

#### Benefits -

- Accessible platform for activism, donating, connecting
- Capitalization on accessible news, ease of interaction and involvement
- → political institutions become more inclined toward inclusivity
- Allows many to bypass physical and socioeconomic barriers to political and economic involvement

#### Costs -

- ineffective intervention, idle /inaccurate information, distraction

Most effective legislative action to take: implement strong policies protecting net neutrality and encouraging accessibility in order to establish connectivity as objectively as possible.

#### ACKNOWLEDGEMENTS / REFERENCES

Special thanks to Zhen Fang and Angela Merchant, mentors, for helping make this project possible.

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