

and potential income may differ considerably. Costs and potential income may also be different for students having further education. Also we conducted a survey among the first-year and last-year students.

Like everywhere, living costs in Belarus depend on your personal lifestyle and where you live. Belarus is a middle-income level country with a relatively good quality of life. From our report you can see a cost of living list for prospective friends. We hope our work will help students while planning study finance and seeking for a scholarship.

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## REDUCING POVERTY THROUGH TRADE

Poverty is the most crucial plague of our times. It is commonly agreed that in order to reduce the proportion of people living on less than \$ 1 a day, developing countries need to substantially accelerate their economic growth by carefully opening their markets.

Trade contributes to eradicating extreme hunger and poverty, to developing a global partnership for development, which includes addressing the least developed countries' needs, by reducing trade barriers, improving debt relief and increasing official development assistance from developed countries.

To trade out of poverty in a sustainable way, exports from developing countries must come from a wider range of sectors and industries in order to facilitate wealth distribution and job creation. Highly developed countries should help developing ones to diversify their trade. For this reason, the international community has launched the Aid for Trade initiative, which has been designed to help developing countries build their supply capacity by developing infrastructure investments, productive capacity investments and transition assistance.

However, what are the right steps to undertake to promote a stronger impact of trade on economic growth and poverty reduction? According to

the summary presented by OECD (Organization for Economic Cooperation and Development) Conference Centre in Paris (2008), the key policy messages include:

- “The need to build productive capacities. In order to achieve a sustainable response and expansion of employment opportunities, the development of productive capacities such as human capital, entrepreneurial capabilities, infrastructure, and production linkages is of foremost importance;

- The importance of markets for determining the poverty reduction impacts of trade. For example, connecting poor farmers to markets and enabling them to sell their crops provides significant benefits. Therefore, what is needed is a set of marketing policies, institutions, as well as investment in rural infrastructure to help reduce transport and energy costs and risks and connect farmers to markets;

- Finally, the need for balancing trade and growth with development benefits. It is essential to pay a closer attention to the differential impact of trade on different sub-groups of people, from the angles of employment, gender and geography” [1].

The famous world economists insist that there is no single recipe for a successful transition to the path of rapid economic growth that has sizable and sustainable impact on poverty reduction. Institutions that work in one country may not work in another. In particular, the Turkish economist D. Rodrik identifies a trinity of “fundamental principals” for economic policy: markets that promote competition and allocate resources efficiently, institutions that guarantee rights to property and integrity of business transactions and macroeconomic stability to encourage investment for further growth. The economist specifies that “individually they are not sufficient to induce growth but rather they are needed in combination” [2]. Hence, developing countries need to pursue and be ready to experiment with different types of policies, institutional designs and growth strategies.

To conclude, there is little doubt that economic growth and effective trade are the most powerful tools to reduce poverty, but only in specific settings: in countries where financial sectors are deep, education levels are high, and governance is strong. These three dimensions (finance, education and governance) capture an economy’s ability to reallocate resources. This, in turn, allows countries to better take advantage of the opportunities offered by trade.

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