# Poverty and wealth

## Vicious circle of *poverty*

Low saving and investment

Low incomes

Low capital accumulation

Low productivity

## Virtuous circle of *wealth*

High saving and investment

High incomes

High capital accumulation

High productivity
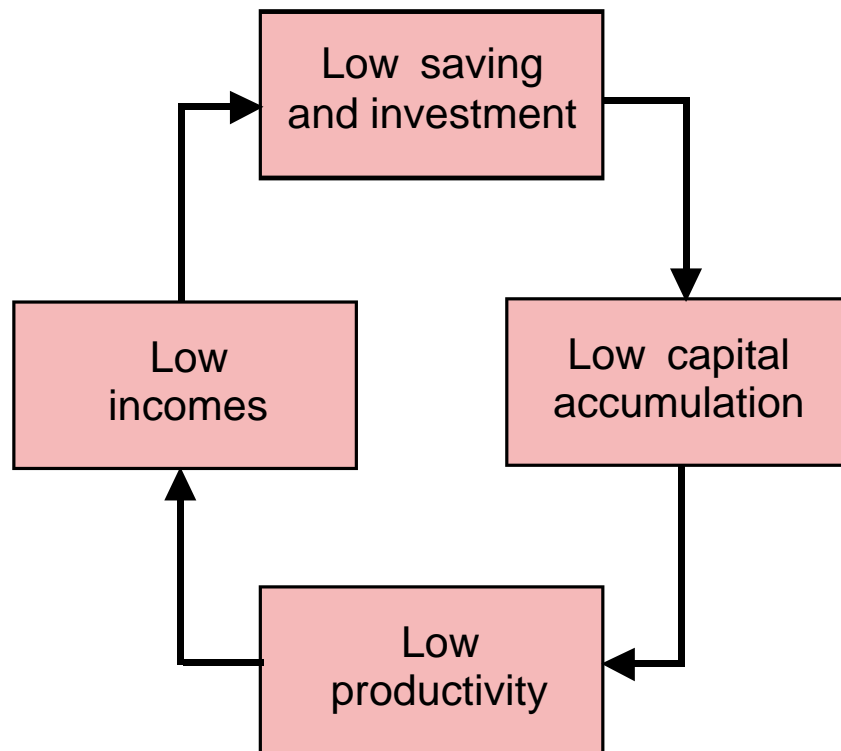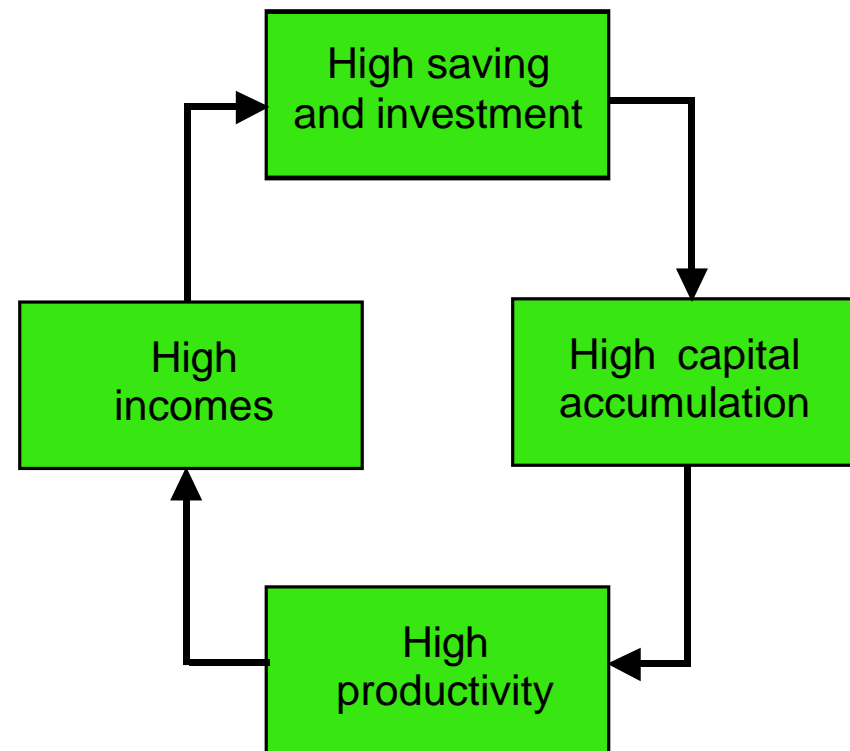
Similarly, there is a virtuous circle of *wealth*  →  →  →  →  ↗