

Abstract

We review the recent empirical literature on global poverty, focusing on key methodological aspects. These include the choice of welfare indicator, poverty line and purchasing power parity exchange rates, equivalence scales, data sources, and estimation methods. We also discuss the importance of the intra-household resource allocation process in determining within-household inequalities and potentially influencing poverty estimates. Based on a sensitivity analysis of global poverty estimates to different methodological approaches, we show that existing figures vary markedly with the choice of data source for mean income or consumption used to scale relative distributions; and with the statistical method used to estimate income distributions from tabulated data

Keywords: global poverty, household surveys, national accounts, tabulated data

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