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***Poverty and development thinking:
synthesis or uneasy compromise?***

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Abstract

This paper examines how the concept of poverty has waxed and waned within development thought and how these fluctuations have shaped development policy and action towards, or away from, direct goals of poverty reduction or eradication. It provides an overview of poverty in social thought; examines the contestations over how poverty analysis is positioned in development theory; charts the conceptual contestations around poverty; presents a brief history of poverty in development thought and action; looks at the contrasting geographies of contemporary poverty; and concludes by considering whether a synthesis is emerging from structuralist and liberal understandings of poverty at present, or merely an uneasy compromise, while each 'side' looks for a way to regain a dominant position.

Keywords: poverty, development theory, history of development, human development

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1 Introduction

The concept of poverty is central to contemporary meanings invested in 'development'. Whether reviewing the academic literature, the documents produced by international and bilateral aid agencies, the plans of governments in developing countries, the worldwide web or the media, 'poverty' and 'poverty alleviation/reduction/eradication' appear as a major – often *the* major – development issue. From early 21st century perspectives this might look 'natural' but, like all analytical and narrative positions, the relationship between poverty and development is socially constructed. Indeed, poverty has not always been at the heart of development thinking. The goals of the UN's first 'Development Decade', declared in 1961 (five percent economic growth per annum in developing countries and foreign aid at one percent of rich country GDP), stand in stark contrast to 2001's Millennium Development Goals (with their detailed lists of poverty reduction targets and indicators) and contemporary discussions of 'what comes next' (Pollard, Sumner et al 2012; Wilkinson and Hulme 2012).

This paper examines how the concept of poverty has waxed and waned within development thought and how these fluctuations have shaped development policy and action towards, or away from, direct goals of poverty reduction or eradication. Following this introduction, it: provides an overview of poverty in social thought; examines the contestations over how poverty analysis is positioned in development theory; charts the conceptual contestations around poverty; presents a brief history of poverty in development thought and action; looks at the contrasting geographies of contemporary poverty; and concludes by considering whether a synthesis is emerging from structuralist and liberal understandings of poverty at present, or merely an uneasy compromise, while each 'side' looks for a way to regain a dominant position.

The paper is a review essay informed by the analytical framework of Robert Cox (2002), which interprets the way things are at any specific time (the historical structure) as the outcome of the dynamic and evolving interaction of ideas, institutions and material capabilities. To illustrate this, the side-lining of poverty in development thought in the 1980s can be seen as resulting from: (i) the global ascendancy of neo-liberal *ideas* prioritising economic growth; (ii) the dominant position of the World Bank and IMF within the international *institutional* architecture; and (iii) the economic and military strength of the US and its allies, and the influence of business interests and the corporate sector (*material capabilities*) as the Soviet Union weakened and collapsed.

2 Poverty in social thought

While contemporary ideas and concerns with poverty – especially with the recently constructed idea of global poverty (Hulme 2010) – are closely interwoven with development thought, many of poverty’s conceptual roots lie in the historical analysis of social problems in Western Europe. These go back to theological debates within Christianity about the responsibilities of the better-off to the poor that began to shape public policy in the 16th and 17th centuries, when England introduced the ‘Poor Laws’ and France tackled *indigence*.

It was in the late 18th and 19th centuries, as the Enlightenment unfolded, that social thought in Europe addressed poverty as a core issue. This included de Condorcet’s and Paine’s search for ‘an end to poverty’; Burke and Malthus’s warnings of the dangers of such radical thinking; Marx and Engels’s examinations of the evolution of capitalism and class relations; and Booth and Rowntree’s identification of who exactly was poor (Stedman Jones 2004). Many ideas from these times – including the separation of the ‘deserving’ and ‘undeserving’ poor, the role of charity, poverty as a structural or individual phenomenon, poverty lines, targeting, and welfare dependency – continue to influence contemporary development thinking.

Ravallion’s (2011) analysis of digitised books identifies two ‘poverty enlightenments’ that display peaks in references to ‘poverty’ in book titles between 1700 and 2000 (Figure 1). The first is near the end of the 18th century, as Enlightenment thinkers focused on the big social problems of their era and identified poverty as a scourge. The second, gaining momentum from around 1960, comes at the end of the 20th century, as ‘developing countries become more prominent in the literature’ (ibid: i). Towards the Millennium, the intellectual focus of poverty analysis shifted from moral philosophy and welfare economics towards development theory.

Figure 1. Incidence of reference to ‘poverty’ in *Google Books* 1700-2000



Source: Ravallion 2011.

3 Poverty in development thought: positioning and conceptualisation

As Harriss (2013) elaborates, there have been and remain a number of contesting development theories. Structuralists, Marxists and neo-Marxists, neo-liberals and the broad church of the post-Washington Consensus have different ideas both on the conceptualisation of poverty and how poverty fits into development theory. Such debates have tremendous practical significance. If poverty is understood as a lack of income, policies to increase income are likely to be prioritised. By contrast, if poverty is conceptualised along other dimensions, such as limited access to basic education and health services, policies to expand and improve access to basic services are more likely to be diagnosed.

The positioning of poverty within any particular school of thought, and the theorised relationships between poverty, economic growth and inequality, are especially important. While the contemporary post-Washington Consensus declares poverty reduction to be at the centre of its analysis and to be the primary goal of development, this was not the case for most of the second half of the 20th century. Structuralists (see Harriss 2013 for an elaboration of the different schools) instead viewed the overarching goal of development as 'catching up' with the West. This meant prioritising state-led industrial growth to reduce per capita income inequality between nations. The mass consumption associated with high levels of per capita income was assumed to reduce poverty through 'trickle down' processes. Neo-Marxists and dependency theorists placed the primary focus on reducing inequality, which they viewed not only as income inequality, but also as exploitative social relations. Development required radical social transformation into classless societies autonomous of the capitalist system. Poverty was a symptom of inequitable social relations and potentially an analytical distraction from the underpinning causes of global inequality. Neo-liberals placed poverty in a subsidiary position, embracing economic growth through market forces as the analytical and policy priority. Poverty would automatically reduce as economic growth accelerated. Inequality was not a problem: indeed for some neo-liberals, inequality was desirable, as it fostered competition and contributed to economic efficiency and higher growth rates.

At present, post-Washington Consensus liberals, of both centre-right and centre-left, are in agreement that poverty analysis and reduction are the central tenets of development theory and action. Whether this is a 'synthesis' (see Harriss 2013) or an uneasy compromise, remains to be seen. However, where the centre-right champions poverty reduction by 'pro-poor growth' (growth with poverty reduction), the centre-left adopts rights-based and human development concepts to create a more redistributive framework (poverty and inequality reduction). These positionings of poverty within development thought can lead to the excessive highlighting of poverty (in poverty measurement and analysis and as a priority goal), as in the heady days around the Millennium, or to its relative neglect, as in the neo-liberal 1980s.

Alongside contestations about how poverty fits into development theory are debates about 'what' poverty is. It is useful to draw attention to four particularly important, but overlapping, conceptual issues – narrow versus broad conceptions of poverty; absolute and relative poverty; objective and subjective poverty; and whether poverty is due to individual agency-related or structural factors.

Poverty can be framed in **narrow or broad** terms (Lister 2004: 13). A narrow approach is easily comprehensible and measurable, while a broader approach explores the multifaceted nature of poverty and the processes that create, maintain or reduce poverty. At the narrow end of this continuum are national poverty lines, based on subsistence concepts of per capita household income or consumption (in most countries around 2,300 calories per day per adult) (Dercon 2006). The greatest 'narrowing' is the application of a global US\$1.25 per day (in purchasing power parity or PPP terms) to all of humanity.

Unidimensional conceptualisations contrast with multidimensional notions that view poverty as a set of material and non-material deprivations. Amartya Sen's work on capabilities (Sen 2001) has been particularly important in promoting broader understandings of poverty. For Sen, development is about people's ability to raise their capabilities, so that they have greater freedom to achieve the 'functionings' they want to do or be (for example, living a long and healthy life, being a respected member of a community, raising a family, achieving satisfaction in sports or cultural activities). From this perspective, people experience poverty when they are deprived of basic capabilities: the ability to avoid hunger, become literate, appear in public without shame or take part in social activities, for example. While Sen remains sceptical about the merits of reducing human development to a single indicator, he was persuaded by Mahubub ul Haq to help operationalise this complex idea (Sen 2006). In the process he created the Human Development Index (HDI), that combines three crude indicators of capabilities – life expectancy, educational attainment and average income – for measuring progress in human development. The UNDP's (2010) Multi-dimensional Poverty Index (MPI) has further broadened this measurement.

While some argue passionately for a narrow or broad concept, others use both simultaneously. Institutionally one can see this playing out by contrasting the measures championed by World Bank and by United Nations agencies, particularly UNDP (Therien 1999). The World Bank has pioneered the 'dollar a day' concept and helped many countries undertake Household Income and Expenditure Surveys (HIES) for calculating income and consumption poverty. The UNDP has championed broader human development measures, such as the HDI and the MPI.

There are also heated debates around the merits of **absolute and relative** conceptualisations of poverty. Joseph Rowntree's seminal work in the early 20th century

has been interpreted as defining poverty in absolute terms. From this perspective, poverty occurs when people cannot meet their minimum physical needs because of lack of income. This leads to an unambiguous poverty line. This method is simple and measurable and focuses on paramount human needs. Without sufficient food, people cannot function effectively, their health declines and eventually death occurs. These absolute measures were advanced beyond headcounts in the 1980s, when the Foster, Greer and Thorbecke (FGT) (1984) measures were introduced, measuring poverty incidence, depth and severity.

Major technical concerns arise, however, through dealing with differences in the minimum amount of nutrition that people need according to age, health status, employment and household size. Even analysts such as Ravallion (who developed the dollar-a-day measure) confirm that the specification of a poverty line always involves a degree of arbitrary selection. Absolute poverty lines are also criticised for treating people like livestock – being reared individually, but not as part of broader society. This perspective recognises that human beings are social actors and argues that poverty must be defined relative to others in a society. How could someone in Canada, for example, participate in society if they did not have access to television, mobile telephones, the internet, or culturally appropriate (and warm) clothing – things which most fellow citizens see as ‘normal’? OECD countries have embraced this perspective, with their official poverty lines almost always defined in relative terms. In European countries, the poverty line is usually set at 60 percent of a country’s median income (Lister 2004: 42). For some, however, relative poverty is only a small step in the right direction. It is relational poverty that needs to be analysed – not merely income inequality, but the unequal power relations between different groups in a society (see, for example, du Toit 2009).

A third axis of debate concerns **objective and subjective** poverty measurements. Objective definitions and measures of poverty (dollar-a-day and FGT measures) are specified by researchers who decide who is poor and non-poor according to their definitions and survey analyses. Such definitions and measures are rigorously conceptualised and specified, permitting comparisons to be made over time and space. However, critics point out that such definitions inevitably involve explicit or implicit value judgements and so the claim to ‘objectivity’ is open to challenge.

Subjective definitions and measures of poverty are made by people about their own status and others in their community or society. They are subjective since the respondents – not the external analyst – determine what constitutes poverty and the ‘minimum levels’ of goods, services, or wellbeing. This has the advantage of letting those most knowledgeable about the experience of poverty determine how poverty is defined and measured. It can also be argued to be ethically more justifiable than objective approaches, as it requires public deliberation (Sen 2001) and recognises the rights of

poor people and communities in creating and disseminating social knowledge, thereby potentially 'empowering' them (Chambers 1997). It also has the disadvantage that people living in different areas may set different criteria that may change over time, making subjective comparisons difficult (Qizilbash 2003).

Finally, and of particular importance for understanding debates about relationships between poverty and inequality, comes the contrast between theoretical approaches focused on **human agency and individual behaviour** and those focused on the **operations of social structures**. Both approaches have their strengths and weaknesses and Giddens (1984) has proposed a conceptual means – structuration – of integrating both approaches. Individualistic approaches benefit from the precision with which they identify their units of analysis (individuals) and the simplicity of their behavioural models (rational choice). Structural analyses find it hard to match such precision and simplicity, as they argue that the units of analysis are multiple and overlapping and that behaviours are complex and, at best, only partly predictable.

Individualistic analysis has links to many powerful ideas about poverty, some with deep historical roots. Golding and Middleton (1982) have shown that from the 16th century the poor in Europe were seen as 'deserving' or 'undeserving'. These ideas carry through to today, particularly in elite perceptions of the poor (Reis and Moore 2005). The deserving poor are theorised as a group of people who are unable to participate in economic activity because of factors beyond their control: disability, accident, being elderly, infirm and orphans. They merit social support. In contrast, the undeserving poor are a group of voluntary indigent people, who choose to be poor because of character defects: laziness, lassitude, work-shirking, drunkenness, promiscuousness or immorality, amongst others. Society has no obligation to such people, as they choose to live in poverty. Implicitly, this theorises the undeserving poor as living in an economy that can provide all of them with adequate incomes if they choose to take advantage of opportunities. Under- and unemployment, excessively low wages and worker exploitation (debt bondage, slavery, child labour) are temporary market imperfections in such models.

Structuralist accounts directly challenge rational choice analyses and argue that inequality is the cornerstone of processes that create poverty. Its units of analysis are collectivities – classes, races, genders, ethnic groups – and the focus is on social relations between entities. While economic inequality is important to structuralists they are also concerned about social and political inequalities. These frameworks highlight the ways in which more powerful groups are able to impose their preferences on less powerful groups through the exercise of economic, social and political power.

There are many ways in which social structures create poverty. Childhood experiences and outcomes are of great significance. Children born into low-income households, with

low social standing and limited political power, fall into vicious circles of capability deprivation. They are underweight at birth and likely to have weakened immune systems and curtailed physical and cognitive development, due to their mother's undernourishment and a lack of prenatal, postnatal and infant care. Unequal access to schooling and their need to work in income-generating activities means many remain illiterate. Their social networks are limited to other disadvantaged people, constraining the information and support they can access when they mature. They also remain unlikely to inherit land or other physical assets, and may have to take on their parents' debts. In oversaturated labour markets, the majority have no choice but to take up low-paid, irregular, physically demanding jobs that make it virtually impossible to accumulate productive assets or develop the human capital of their children through good food, education and health care. Vulnerability further fuels processes of impoverishment and inequality.

The structuralist case powerfully argues that poverty is not the result of indolence, lassitude, immorality or character deficiencies. Rather, it is unequal social relations that permit the poor to be economically exploited, socially subordinated and politically marginalised. Powerful groups even '...have the power to construct "the poor" as other through words, images and deeds' (Lister 2004: 178).

Across different schools of development theory there are considerable tensions between those who pursue conceptualisations of poverty that facilitate measurement (narrow, means-based, absolute and objective) and those who believe that such simplifications are flawed as they avoid the more structural aspects of poverty essential to understanding how poverty is produced and reproduced. The measurement 'camp' is usually occupied by economists, econometricians, quantitative sociologists and social statisticians. Governments, international agencies and policy-makers gravitate towards this camp. In the structuralist 'camp' are critical sociologists, anthropologists, radical political economists and heterodox economists. Their analyses are most often picked up and supported by activist NGOs and civil society groups, trade unionists, environmentalists and left-of-centre political parties.

The die-hard measurers argue that qualitative approaches lack rigour and permit the analyst to select non-representative empirical materials to advance their argument. The die-hard qualitative analysts argue that by focusing on what is readily measurable at the individual and household level, these dominant 'measurement' approaches neglect the analysis of culture, identity, agency and social structure that are central to the processes that create wealth and poverty (see Chambers 1983). In a particularly trenchant criticism du Toit (2005, 1-2) identifies the 'poverty measurement blues' (also see du Toit 2009):

... the difficulties arise out of the domination of development studies and poverty research by ... the 'econometric imaginary': an approach that frames

questions of social understanding as questions of measurement ... [They] are undermined by their reliance on a mystificatory theoretical metanarrative that tries to imbue poverty judgements with a spurious objectivity, and ... they direct attention away from *structural* aspects of persistent poverty.

4 A brief history of poverty in development thought and practice

If one moves to the start of the 'development age' in the late 1940s and 1950s, then I believe an important and persistent characteristic of the use of poverty in development, as a concept and narrative, is evident. This is that presenting development as poverty reduction or elimination is much more attractive (and necessary) for leaders and governments in developed, rather than developing countries. President Truman's Inaugural Speech in 1949 illustrates this well. Late in the drafting process, a *Point 4* was added 'for making the benefits of our scientific advances and industrial progress available for the improvement and growth of underdeveloped areas' (Truman 1949). This focused on poverty reduction:

More than half the people of the world are living in conditions approaching misery. Their food is inadequate. They are victims of disease. Their economic life is primitive and stagnant. Their poverty is a handicap and a threat to them and to more prosperous areas (ibid).

As leaders of the newly independent nations – Sukarno, Nehru, Jinnah and later Nkrumah, Nyerere, Kenyatta and many others – moved from barracks and jail cells (and demanding freedom) to presidential and prime ministerial offices (and drafting national plans), they promised rapid modernisation (economic growth, industrialisation, infrastructure, durable goods, mass consumption) and national development more than poverty reduction. At the UN General Assembly in New York, with a membership mainly of industrialised countries, the Universal Declaration of Human Rights (UDHR Article 25) might declare that '[e]veryone has the right to a standard of living adequate for the health and well-being of his family, including food, clothing, housing and medical care', but the leaders of new nations were rarely so unambitious or candid as to talk of the mere achievement of basic needs.¹

While mass poverty was the norm across Asia and Africa during their era of Independence (and much of Latin America, the Caribbean and the Pacific), reducing poverty was rarely an explicit analytical or policy focus in the 1950s and 1960s in the

¹ The two main exceptions were Gandhi and Nyerere, with their agrarian visions of development. They stood at odds to the visions of most other independence leaders in Asia and Africa.

way that it became in the early 1970s and in the mid-1990s (Hulme 2010). Rather, the pursuit of economic growth, through the transfer of finance, technology and institutions from US/Europe or USSR, would transform economic and social conditions, including poverty. National leaders' speeches might reference ending 'poverty, ignorance and disease', but this was not directly. Modernisation and growth would ensure that poverty became a residual problem that could be dealt with by social policy or charity.

For all except a few East Asian countries, post-WW2 promises of modernisation were not delivered. Across Asia and Africa, relative economic stagnation and mass poverty remained the norm (although some social advances were occurring, especially in public health, life expectancy and literacy). This led to two different responses. From the developing world came the analysis that 'underdevelopment' (Rodney 1972; Fanon 1961) or the Economic Commission for Latin America's (ECLA) 'structural' obstacles (Prebisch 1984) were blocking economic and social progress. Africa, Asia and Latin America (the periphery) were underdeveloped because of their relationships with the US and Europe (the core), which meant development required the reform of the core's exploitative relations of the periphery (Frank 1969) rather than limited financial, technological or institutional transfers from advanced nations. These radical ideas were prepared to shift to revolutionary if required, identifying their priority for action as tackling the root causes of poverty and underdevelopment, namely the structures and relationships of post-colonial capitalism.

In the early 1970s, development thought in the major international agencies began to focus directly on poverty. The ILO and other UN agencies proposed a 'basic needs' approach to development. National governments and aid donors should prioritise policies, budgets and actions to ensure disadvantaged people achieve their basic needs. The exact nature of these basic needs was heatedly debated – food, potable water, clothing, shelter, and basic health care...probably education...perhaps, law and order – but development was about governments directly meeting basic needs everywhere. A few years later, in 1974, the World Bank shifted its focus to poverty. In his famous Nairobi speech, the World Bank President, Robert McNamara, declared that a direct assault on poverty in rural areas was the priority and could be achieved by a greater focus on rural development through Integrated Rural Development Projects (IRDPs) rather than urban industrialisation.² IRDPs focused on increasing rural incomes through infrastructural investment and agricultural development, with social dimensions – education, nutrition, women in development, and others – as related components. While 'basic needs' and 'rural development' both sought to reduce poverty directly, the former focused more on social protection, while the latter focused on income generation and enterprise promotion.

² Michael Lipton's (1977) influential book on 'urban bias' supported the focus on rural poverty.

From a different perspective, but also from the World Bank, came Chenery et al.'s (1974) call for *Redistribution with Growth*. This advocated that poverty reduction would require directly tackling inequality, and the rich world would need to redistribute some of its wealth. This moved a little towards the underdevelopment framework, recognising a need for structural change. Depending on one's reading of the motivations of World Bank research, this could be seen as arising pragmatically from the desperate conditions of mass poverty in developing countries, or as a carefully constructed tactic to divert attention away from the much more radical underdevelopment analyses coming from the Third World.

As it turned out, this emphasis on poverty analysis and direct poverty reduction within development thinking and practice was to prove only a brief interlude. By the late 1970s neo-liberal ideas were ascendant across the globe and over the 1980s and 1990s the Washington Consensus (Williamson 1990) and its structural adjustment policies dominated the intellectual and policy agenda, arguing that economic growth was the key to development. This could be achieved if countries deregulated, privatised and liberalised: as a side effect, poverty would automatically be reduced. Throughout the 1980s, economic growth (through liberalisation) became the dominant analytical focus in development thought and this continued into the 1990s, as Russia took the 'shock medicine' that was presumed would solve all its economic and social challenges. Poverty, framed as the social consequences of structural adjustment, took a secondary position, serving mainly as a critique of neo-liberal thinking and policy. Below the surface of the neo-liberal versus anti neo-liberal intellectual confrontation, however, alternative ways of understanding poverty were advancing, particularly in terms of human development and gender and development.

The year 1990 marked a tipping point in the evolution of ideas about development and how poverty was positioned within development thought. Against the backdrop of the end of the Cold War and growing doubts about structural adjustment, the World Bank's *World Development Report 1990* chose poverty as its theme, acknowledging the need for economic reform to be accompanied by social policies. The *Report* presented the first serious attempt to count the world's poor using a common measure. It introduced the 'dollar-a-day' headcount measure of global poverty and estimated that around 1.1 billion people lived in extreme poverty. More significantly, UNDP (1990) published the first *Human Development Report*, promoting the idea of human development as an alternative concept and goal to economic growth. This facilitated the promotion of a broader understanding of what poverty reduction was about than previous measurements of income and consumption poverty had, and made this alternative more accessible to a wider group of professionals and the media. It gave left-of-centre scholars and social activists a relatively coherent framework from which to argue for policy change (although it gave them limited guidance for challenging macroeconomic policy orthodoxy).

1990 was also the year of the World Summit for Children in New York, back to which the processes leading to the creation of the poverty-obsessed MDGs can be traced (Hulme 2010). This summit achieved its goals of mobilising political commitment and setting concrete targets to improve the prospects of the world's children. In addition, it re-established the notion that 'global summits' – large meetings of national leaders – could motivate processes of change and lead to improvements in human welfare. Norm entrepreneurs (Fukuda-Parr and Hulme 2011) throughout the UN and civil society were on a roll in the early 1990s, and other major UN conferences followed: on Environment and Development (Rio in 1992); Human Rights (Vienna in 1993); and Population and Development (Cairo in 1994).

The peak year for UN summitry was 1995, with the World Summit on Social Development (WSSD) in Copenhagen and the UN Fourth World Conference on Women in Beijing. The Social Summit was crucial in pushing global poverty reduction onto the international agenda and stimulating an unprecedented conceptual, empirical and policy focus on poverty. It was here that a global consensus (with 117 heads of state and government present) was first reached, placing poverty reduction as the priority goal for development (UNDP 1997:108). The WSSD approved the target of eradicating dollar-a-day poverty and reaffirmed declarations made at New York, Rio and Cairo. Implicitly it drew on the idea of human development, viewing poverty as multi-dimensional. After Copenhagen, explaining how poverty would be tackled became a significant focus of international relations and development thought. Tackling global poverty moved onto the 'international agenda' at the UN, G7, OECD, EU, AU and other venues.

In the same year, the UN Women's Conference at Beijing – driven to a great degree by the women's movement – reaffirmed goals of gender equality and women's empowerment. Many delegates saw the time was ripe for ambitious, post-Cold War global strategies of empowerment and social transformation, rather than the technical and target-focused approach of Copenhagen (Eyben 2006). However, the energy and drive of the Beijing conference was not matched by impact on global policy-making or development thought. Being the second conference that year proved disastrous: only two heads of state attended, giving it little political leverage in the international arena.

UN conferences continued in the latter half of the 1990s, but many observers reported a 'conference fatigue'. The forum for shaping the global agenda on poverty reduction shifted from these vast and diverse UN jamborees to much smaller formalised meetings centred on Paris – mainly of men from industrialised countries working for aid agencies.

The debates and declarations of these global conferences and summits were impressive. They led to increased media coverage of the issues and raised public awareness about development and poverty. But action after these events, with the exception of the Child Summit, was often relatively limited. The annual budgets and

policies of developing countries did not systematically shift towards declared goals, and levels of official development assistance (ODA) continued to decline. This created unease among the donor club – the OECD’s Development Assistance Committee (DAC) – leading them to produce a report that listed seven International Development Goals (IDGs) in 1996 in an attempt to generate public support for foreign aid. These goals brought together components from the declarations of recent Summits and Conferences, although the Copenhagen commitment to eradicating poverty (by an unspecified date) was converted into halving extreme poverty by 2015. IDGs achieved political traction in some OECD countries, such as the UK, but had little impact over powerful donors such as the United States and France, or the World Bank and IMF (Hulme 2010). In developing countries, the poverty-focused IDGs had little or no resonance, coming from a document produced entirely by rich countries in which promises of ‘partnership’ sounded like well-worn rhetoric. However, this list would make a comeback.

In 1998 the global poverty agenda continued to be reshaped in preparations for the UN’s Millennium Assembly, to be held in New York in September 2000. The UN’s new Secretary-General, Kofi Annan, was keen to make global poverty reduction central to the UN agenda. He identified four main themes for the Millennium Assembly. The second was ‘development, including poverty eradication’, signifying the institutionalisation of the shift in development thought that had emerged at Copenhagen. Development was no longer about economic growth and generalised improvements in welfare; rather it was synonymous with targeted poverty eradication (or, at least, poverty reduction).

Between 1998 and 2000, a complex set of formal and informal negotiations and releases of competing reports sought to specify exactly what poverty eradication/reduction was. The aid donors of the OECD pushed their conceptual and strategic preferences based on the original IDGs and supported by the World Bank and IMF. In parallel, the UN was producing a declaration for the Millennium Summit, a document which had to satisfy a larger constituency with very different interests – the 189 members of the UN General Assembly.

Over summer 2000 there were frantic negotiations about what should finally go into the *Millennium Declaration* regarding goals of development and poverty eradication.³ With around 150 heads of government or state due to attend, and Annan seeking a mandate for UN reform, the Millennium Summit had to be a success. As the big day approached, a compromise was reached that included goals for rich countries (for aid, debt, trade and policy reforms) and strengthened the goals related to gender equality and child and maternal mortality. These additions, deletions and compromises worked. The Millennium Declaration was unanimously approved at the UN General Assembly on 8th September

³ The focus here is on the ‘development and poverty eradication’ goals and not the entire document.

2000 and what had once been 'development' officially became 'development and poverty eradication' (UN 2000).

The next formal stage of the process was for the Secretary-General to draw a 'road map' showing how the world would achieve its global commitments to poverty reduction. Before the UN could develop a plan for implementing the Millennium Declaration, it needed final agreement on what the exact goals and targets were. Negotiations over 2001 eventually led to a task force comprised of officials from the DAC (representing OECD), World Bank, IMF and UNDP. This was the task force that finalised the Millennium Development Goals (MDGs), bringing together concepts of human development and results-based management in an unlikely pairing (Hulme 2010). Notably, in conceptual terms, human rights are part of the preamble to the MDGs, but no goals are set and the only reference to inequality is in terms of reducing gender inequality at the national level. The international political economy of the Millennium could accommodate gender, but any broader notion of equality, or of less inequality between countries, was unacceptable to those with material power.

While the MDGs and, recently, the post-2015 development agenda have remained important in official public discussions (which remain excessively influenced by the aid industry's interests), keeping global poverty genuinely on the international agenda since the Monterrey Summit of 2002 has been difficult. Other global priorities – 'terrorism', trade policy, economic growth, national security, energy security, the financial crisis – have proved more pressing and national self-interest remains the dominant force in international negotiations, as evidenced by the lack of progress over climate change. At the national level within some (perhaps most) countries with large poor populations, thinking and policy have shifted away from poverty analysis (and prioritising individual human development) towards national economic development. Low-income countries such as Bangladesh, Ghana, Uganda, Vietnam and others have discontinued Poverty Reduction Strategies, returning to five-year national development plans that prioritise growth. Emerging economies, most obviously China and India, focus on maintaining growth as their top national goal. As Section 6 discusses, contemporary development thought can be seen as having moved to a synthesis position, combining elements of structuralism with liberalism – so that growth, inequality and poverty all have a major analytical role – or to an uneasy compromise, in which liberals promote the analysis of market-based growth by demonstrating growth's (absolute) poverty-reducing effects and structuralists seek to promote the analysis of inequality through more relativist and relational poverty analysis.

5 The geography of poverty in development thought

Over the years, the geography of poverty (i.e. the areas where poverty is most concentrated) has changed and different ideas about how to understand this geography have been proposed. In the early development decades (after World War 2), when poverty was not a major analytical focus, the underlying assumption was that poverty (then meaning low GDP per capita) was pervasive across the 'developing world' or 'Third World'. It was assumed that poor people lived in poor (i.e. low-income) countries – the idea that poverty levels might be very different in countries with similar GDP per capita was often ignored. The Third World was a broad region stretching across Asia, Africa, Latin America, the Caribbean and the Pacific, covering the majority of the world's population (excluding only North America, Western Europe, Australia and New Zealand). Its boundaries were not precisely specified, however, and they became increasingly blurred as Japan and later the East Asian Tigers (Taiwan, South Korea, Singapore and Hong Kong) rapidly achieved middle-income and later high-income status.

Although the idea of developing countries remained in play for many years (indeed, it is still used today) the meaning of this term became even more blurred as Malaysia, Thailand, Mauritius, Turkey, Chile, the oil economies of the Middle East and others achieved high growth rates. The increasing availability of reliable data on social indicators and the invention of measures such as the Human Development Index (HDI) permitted development analysts to focus more and more on the conditions of specific countries and to explore the ways in which progression to middle-income country (MIC) status was and was not associated with improvements in other dimensions of wellbeing. The oil-exporting countries of the Middle East and others (such as South Africa) reached MIC status, but their high levels of inequality meant that income and multidimensional poverty did not dramatically reduce, as development theory had earlier assumed.

After the end of the Cold War in 1989/90, the world economy rapidly began to 'globalise' and globalisation became an important concept. Not surprisingly, the idea and measurement of 'global poverty' came into currency and it proved an attractive idea for OECD aid donors, who increasingly had to justify aid budgets not in foreign policy terms, but in terms of human need. Mapping the geography of poverty and justifying the allocation of aid to poorer parts of the world became an important part of discourse and policy for aid agencies.

Sub-Saharan Africa (SSA), often referred to as 'Africa' was identified as the region facing the most severe challenges and where poverty was most widespread and deepest. This was not new – the Berg Report in 1980 had focused on SSA – but took on growing momentum after 1990. Africa was seen as 'special' because of its low rates of economic growth, poor human development indicators, high levels of violent conflict and/or civil

war and its position at the centre of the HIV/AIDS pandemic. During the UN conferences and summits of the 1990s running up to the Millennium Summit, declarations often highlighted Africa's special needs: while average world per capita income had risen by 40 percent in the last quarter of the 20th century, average income per capita in Africa remained unchanged. Many countries, including Nigeria, South Africa and Uganda, had in fact seen average incomes decline since the 1970s. Staggeringly, average per capita income in the Democratic Republic of the Congo (DRC, formerly Zaire) dropped from \$730 in 1973 to \$220 in 1998 – extreme poverty had become a national norm.

Social indicators were also a cause for alarm in sub-Saharan Africa, with the HIV/AIDS pandemic reducing life expectancy in many countries and literacy, nutrition, child and maternal mortality making little progress (Hulme 2010). The international media also constantly examined crises and conflicts in Africa, but rarely covered day-to-day life or African successes, bolstering public 'Afro-pessimism'. Against this background, the Millennium Declaration, approved unanimously by the UN's 189 member countries, included a chapter on 'Meeting the Special Needs of Africa' (UN 2000:7). The belief that the heartland of contemporary poverty is in Africa was reinforced by Paul Collier's (2007) influential book *The Bottom Billion*, which argued that 70 percent of the world's poorest people live in Africa and that the geography of global poverty is 'Africa plus', meaning SSA and a set of other countries scattered around the world.

However, if one maps the data for Asia and disaggregates it for Indian states and Chinese provinces – which is not unreasonable, given that most of these sub-national units have populations much bigger than those of the average African country – a more complex pattern emerges (UNDP 2010). A second poor continent can be identified – *sub-Siberian Asia*. This is an almost contiguous area that stretches across northern India and Nepal to Bangladesh, Burma and Laos, takes in much of central and western China with Mongolia, includes Central Asia (Kazakhstan, Kyrgyzstan, Uzbekistan, Turkmenistan and Tajikistan) and completes in Afghanistan and Pakistan (see Hulme 2010:44 for a map). Economic indicators of poverty (the \$1.25-a-day headcount) and social indicators (illiteracy, maternal mortality, gender equality) for sub-Siberian Asia are much higher than to the north in Russia, the west (Iran and Turkey), the south (southern India and Sri Lanka) and the east (Thailand and coastal China). Research financed by NASA, using night-time lights as a surrogate for wealth, reaches similar conclusions – sub-Saharan Africa and sub-Siberian Asia are the two vast regions of the world where the populations are too poor to shine a light at night (Elvidge et al. 2009).

While this can be argued to be the world's second poor continent, it must be recognised that, with the exception of Afghanistan, the depth of income poverty in sub-Siberian Asia is not at the extremely deep levels of sub-Saharan Africa. What it suggests, however, is that the geography of the world's extreme poverty needs to be understood as 'sub-Saharan Africa and sub-Siberian Asia plus some other countries'.

Relatedly, Sumner (2010) has charted where poverty is concentrated in terms of country income status. He points out that while the assumption that most poor people lived in poor countries was earlier correct, this is no longer the case. With the graduation of China and India to middle-income status (and to a lesser degree Brazil, Indonesia and other large population countries), the majority of the world's \$1.25-a-day poor now live in middle-income countries. This has created a dilemma for donors who wish to target poverty reduction, but whose citizens are reluctant to provide aid to countries with sizeable wealth. That India can afford a space programme while the UK cannot has made UKAid to India contentious, culminating in the UK's recent commitment to end financial assistance to India by 2015.

6 Poverty in contemporary development thought: synthesis or uneasy compromise?

If one rates the significance of an idea by how widely cited it is, then the last 15 to 20 years have been a bumper time for poverty (Ravallion 2011). Since the demise of structural adjustment and the end of the Cold War, the concept of poverty has risen in prominence and has been very closely associated with development – indeed, leading agencies have at times seen these two as synonymous. Whether this will continue, and whether this has been advantageous or disadvantageous to poor people is unclear.

In his review of development theory, Harriss (2013) posits that we may have reached a 'new synthesis... [that recognises]...the practical failures of both structuralism and of liberalism'. This new synthesis moves away from grand theorising to produce middle-range theory that sees that both states and markets have to work to improve human wellbeing. He identifies Brett's (2009) concept of 'liberal institutional pluralism' as charting a theoretical way forward. One could argue that for poverty this is already the case, with analysts of both structuralist and liberal tendencies agreeing to the MDGs and the shift of the IFIs away from 'one size fits all' policy prescriptions to a greater focus on customised national poverty reduction strategies (PRSs) and institutional development.

However, whether this is a genuine synthesis, or merely a temporary lull in the structuralism versus liberalism contestations, remains to be seen. Both sides may agree that poverty reduction is a good thing, but there remains a yawning chasm between those who theorise that the cause of poverty is inequality (and so reducing national and international inequality is the paramount issue) and those who theorise it is lack of growth (and so releasing the power of the market to increase growth is the top priority). In recent work, Rehman Sobhan (2010), a long time structuralist, has attempted a Brett-

type synthesis through a ‘...conception of poverty as injustice’, but neo-classical economists view his approach not as a synthesis but as structuralism in disguise.

The burgeoning number of consultations, debates and meetings about the ‘post-2015 development agenda’ are trying to shape the future of poverty in development thinking. Analysts of a structuralist tendency are concerned that, with David Cameron as the OECD’s member of the three-person UN steering committee, the next set of goals will shift towards market-based growth, leaving human rights and reducing inequality to be mentioned as ‘principles’, but omitted from the actual goals (as in 2000/01). Scholar-activists such as Richard Jolly (2011) and colleagues are arguing for a revised set of goals that place reducing inequality at their heart. These liberal versus structuralist debates will rumble on until the last minute, when one can anticipate a new compromise on the goals of development – not a synthesis – between these two intellectual camps. The concept of poverty seems certain to remain central to the post-2015 development compromise.

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