The New Poverty Agenda: A Disputed Consensus (Editorial)[1]

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Since the late 1980s there has been a resurgence of interest in poverty reduction by the major multilateral and bilateral aid agencies. Following the publication of the *World Development Report 1990* (WDR 90; World Bank 1990), most agencies now list poverty reduction among their overarching objectives (Camdessus 1990; UNDP 1993; ODA 1995) and have adopted variants of the Bank's two-pronged anti-poverty strategy of labour-intensive growth and investment in human resources.[2] A good deal of research has also been undertaken on the meaning and measurement of poverty and on the efficacy of different policy interventions at the national and international levels. Yet the absolute numbers of those in poverty continues to rise: the World Bank's *Poverty Reduction Handbook* (1993) estimates that, given current trends, the number of people living on incomes on less than US$1 a day will rise from 1.1 billion in 1990 to 1.3 billion in the year 2000. Half a decade on from the launch of the WDR 90, therefore seems an appropriate time to take stock of what has become known as the 'new poverty agenda' (Lipton and Maxwell 1992).

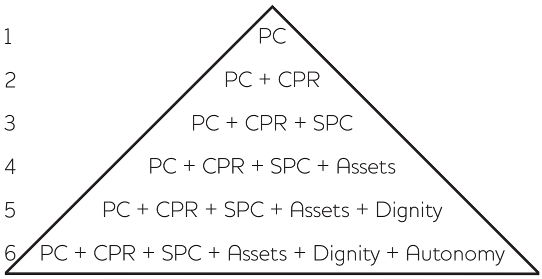
The articles in this *IDS Bulletin* were presented at a two-day workshop held at the Institute of Development Studies in September 1995.[3] The workshop considered three themes: 'Understanding poverty: meaning and measurement'; 'Poverty and policy'; and 'Aid and poverty reduction' and this *IDS Bulletin* is accordingly grouped into these three sections. The articles in each section do not aim to provide definitive surveys, but rather focus on selective aspects of the topics concerned. In so doing, a number of key issues relating to the meaning of poverty and its linkages with macroeconomic policy and aid are identified. The policy ramifications and research implications of these issues are also explored.

Meaning and measurement

It is important to recognise that poverty is a portmanteau term which has distinct meanings to different people. The words 'destitution', 'ill-being', 'powerlessness' and 'vulnerability' are so frequently used in conjunction with 'poverty', that the conceptual differences between them have become blurred. This basic problem of meaning pervades the debates both on the measurement of poverty and on poverty reduction policies.

Standard economistic definitions of poverty in terms of income and consumption date back to Booth's (1892) and Rowntree's (1901) work in Victorian England. Rowntree's narrow conceptualisation of 'primary' poverty in terms of nutritionally based poverty lines has been challenged by modern sociologists looking for broader, more inclusive definitions of ill-being in both developed and developing countries (Townsend 1965; Chambers 1983 and 1995).[4] The income/consumption approach has also been criticised for paying insufficient attention to common property resources (Jodha 1986) and state-provided commodities (Datta and Meerman 1980) and to vulnerability (Maxwell and Smith 1992). It is perhaps useful to schematise the range of poverty concepts that are discussed in the literature using a pyramid

Figure 1 A pyramid of poverty concepts



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(see Figure 1) where PC stands for private consumption, CPR is common property resources and SPC denotes state-provided commodities. The traditional income/consumption approach's concept of poverty would prefer to focus on line 3 of this pyramid (private consumption, common property resources and state-provided commodities) but often settles for line 1 (private consumption alone) or private income due to the difficulties of measuring consumption of state-provided commodities and access to common property resources. A distinction is then often drawn between ultra (or extreme) poverty, in which the poor are unable to meet their minimum nutritional needs, and a higher level of private consumption at which net savings become possible (Lipton 1983).[5] Line 4 adopts a somewhat broader definition which aims to capture the vulnerability of the poor by including assets (such as human and physical capital, stores, and claims). As Swift (1989) has shown assets create a buffer between production, exchange and consumption which may be called upon during times of crisis. Although a one-to-one correspondence does not exist between poverty and vulnerability, poor people generally have few assets and reach the threshold of collapse faster than the more affluent. The addition of dignity and autonomy in lines 5 and 6 point to still broader meanings of poverty including people's freedom from the necessity to perform activities that are regarded as subservient and their ability to choose self-fulfilling and rewarding lifestyles. These aspects of poverty are stressed by local people in participatory poverty assessments and challenge the hierarchy implicit in the above pyramid of poverty concepts. The vulnerability school (Maxwell and Smith 1992; Davies, forthcoming) has also begun to question the supremacy of a base level of physiological needs (Maslow 1954; Greeley 1994) on which the income/consumption approach is based.

The contributors to this *IDS Bulletin* clearly have different views as to the adequacy of these different concepts of poverty, and it is neither appropriate nor possible to resolve these issues here. It should, however, be noted that as one moves down the pyramid, it becomes harder and harder to distinguish the concept of consumption poverty from those of 'vulnerability', 'lack of self-respect' and 'powerlessness'. It also becomes extremely difficult to quantify the additional aspects of poverty in an objective and scale-neutral fashion. A crucial question therefore concerns the extent to which measures at the apex of the pyramid are a good proxy for those at its base.

The first four contributions in this *IDS Bulletin* may be viewed as focusing on lines 1 and 6 of the pyramid representing the narrowest (income/consumption) and broadest concepts of poverty. Naila Kabeer discusses to what extent these concepts are able to capture the gender dimensions of poverty. She identifies two disjunctions introduced by gender: in the translation of labour into income, and in the translation of income into well-being. Social norms and the cultural context constrain women's freedom to make active choices (agency). It is only through a context-specific analysis that it becomes possible to determine whether gender inequalities are offset, exacerbated or unaffected by scarcity. Given these considerations, neither traditional income/consumption measures nor the participatory approach are able to capture the gender dimensions of poverty adequately. Both methodologies are as gender-blind or gender-aware as their practitioners.

Paul Shaffer argues that fundamental philosophical differences underlie the traditional income/consumption and participatory approaches to poverty. He maintains that the income/consumption approach has close epistemological and ethical affinities with the naturalist research paradigm, upon which the natural sciences are based. In contrast, the participatory approach has close ties to the critical hermeneutic research paradigm associated with the work of Habermas (1990). Epistemological differences explain methodological differences related to the identification and measurement of poverty, whereas ethical differences explain differences related to the conception of poverty used. Given these underlying philosophical differences, it should come as no surprise that the two approaches sometimes generate conflicting results.

My own article maintains that standard discussions of the conventional income/consumption and participatory approaches ignore two critical measurement issues: aggregation and the dynamics of poverty. Although the income/consumption approach may sometimes misidentify the poor, its well understood aggregation properties make it very useful for regional and national level policymaking . In contrast, participatory methods are most valuable for identifying the other, more subjective, dimensions of poverty at the project or village level. In order to be able to distinguish between chronic and transient poverty, both approaches also need to pay more attention to dynamic issues and the ability to track household's or individual's poverty status over time.

Simon Appleton takes up the issue of dynamics further in his article, which considers the problems of measuring poverty (using the income/consumption approach) over time. Using data from two recent household surveys in Uganda, he demonstrates how discrepancies in survey design created an apparent, but erroneous, 34 per cent fall in real household consumption between 1989/90 and 1992/3. Adjustments to account for differences in survey methods allow this fall in living standards to be reduced to 6 per cent, but significant discrepancies in household size, production estimates and recall period between the two surveys still remain. He argues that the sensitivity of measured per capita consumption to survey design, suggests that comparisons of poverty estimates from different household surveys should be treated with caution. But, in common with the poverty comparison literature (Ravallion 1992), Appleton maintains that conventional household surveys still provide policymakers with useful information about the relative incidence and geographical distribution of poverty.

Three general conclusions emerge from these articles on meaning and measurement. First, our vocabulary does not seem to be sufficiently refined to conceptualise the poverty problem. As Sen (1981) put it, 'The category of the poor is not merely inadequate for evaluation exercises and a nuisance for causal analysis, it can also have distorting effects on policy matters.' While there is common agreement on the need to distinguish the extreme poor from the moderately poor, there is no such consensus on how to define and measure the wider dimensions of poverty, such as vulnerability, lack of dignity and autonomy. In this highly imperfect world, probably the best that analysts can do is to make the definitions, assumptions and methods they use to operationalise poverty transparent. Chambers (1995) has for example, suggested that the terms 'income-poverty' and 'consumption-poverty' be used when referring to the conventional measures based on income/consumption. Within this tradition, it is usual to distinguish between the incidence (headcount), depth (poverty gap) and severity (poverty gap squared) of income or consumption poverty.

Second, the limitations of current measurement techniques from both a sociological and a gender perspective need to be recognised. The institutionalisation of participatory poverty assessments in all poverty assessments, as recommended by a recent IDS study (1994), is a useful first step in this regard, but should not be regarded as a panacea. Their different philosophical underpinnings mean that irresolvable conceptual conflicts will inevitably arise between the income/consumption and participatory approaches. In addition, we need to understand more about how changes in private consumption or income at the household level translate into changes in individual well-being. In particular, more work needs to be done on the extent to which conventional measures of the incidence, depth or severity of income poverty are good proxies for local people's own conceptions of poverty and deprivation.[6]

Third, it is important to note that existing methods tend to furnish essentially static descriptions of the characteristics of the poor, which tell policymakers relatively little about the causes of poverty. An analogy with the food security literature, which distinguishes between process and outcome indicators (Maxwell and Frankenberger 1992), may be appropriate here. Like nutritional status, income/consumption measures of poverty are outcome indicators, which describe the current poverty situation but tell one little about how one arrived in that state or what may be expected to happen in the future. Some of the criteria used by local people for poverty (e.g. housing status, access to water) also fall into this category. But others (e.g. disability, landlessness, widowhood or being single parents) also tell one about the processes through which people become poor and about their vulnerability in the future. So too do the few panel data studies which track how households' income and expenditure vary over time (Gaiha and Deolalikar 1993; Walker and Ryan 1990). To ensure that poverty measurement provides the causal analysis needed by policymakers, more attention needs to be paid to process indicators and the dynamics of poverty.

Poverty and policy

Since the release of the World Bank's *World Development Report 1990* and the policy paper *Assistance Strategies to Reduce Poverty* (1991), there has been widespread acceptance of a two-pronged strategy for sustainable poverty reduction. The first prong of this strategy consists of labour-intensive growth, designed to promote the productive use of the poor's most abundant asset – labour. The second prong aims to improve the provision of social services, in particular health and education, so that the poor can take advantage of the opportunities afforded by broad-based growth. WDR 90 also recognises the need for social safety nets to protect the most vulnerable groups in society.

As with many policy issues, there are both synergies and trade-offs contained within this approach to poverty reduction. Broad-based economic growth may increase overall living standards substantially while failing to benefit the destitute and poorest of the poor, who are often unable to undertake wage employment due to disability, infirmity or the need to care for dependants. Improved provision of social services may raise overall quality of life indicators but fail to deliver services to geographically remote areas or socially disadvantaged groups. Without targeting, social safety nets are often fiscally unsustainable, but the introduction of targeting can result in the exclusion of the poorest of the poor.

Andrew Mason examines the extent to which it is possible to target the consumption poor in rural Java by analysing the regional and socioeconomic characteristics of poor households. His analysis of official household sample survey data shows that there are important geographic and spatial features to rural poverty in Java. The proportion of households with expenditures below the official poverty line is, for example, substantially higher in upland and dryland regions and rises as the distance from economic and administrative centres increases. However, geographic and spatial descriptions of poverty tell only part of the story: 43 per cent of the Javanese rural poor live in relatively prosperous wetland and mixed farming regions. Consumption poverty in these regions is characterised by lack of access to land, credit and formal education. This anatomy of rural poverty indicates regional targeting alone will be insufficient to eradicate rural poverty in Java. An effective anti-poverty strategy for rural Java should combine continued broad-based growth with judicious use of geographic targeting, and special efforts to enhance the poor's access to productive assets regardless of where they live.

John Toye and Carl Jackson discuss the impact of public expenditure policy on poverty reduction, focusing on the interaction between poverty assessments (PAs) and public expenditure reviews (PERs). Reporting on a study of eight sub-Saharan countries (IDS 1994), they find that most PAs have analysed poverty in terms of the constraints that prevent the poor from participating in labour-intensive growth, with little appreciation of sociological and political factors. PERs have concentrated on three meso-level issues: increasing the share of the education and health sectors within total public expenditure, the composition of spending within each of these sectors and the balance between staff and non-staff costs. Increased budgetary allocations to the social sectors often fail to be translated into reality because of poor management and monitoring of public expenditure. In addition, the use of cash budgeting to eliminate fiscal deficits in line with International Monetary Fund (IMF) conditionality works against World Bank conditionality aimed at increasing spending in priority social sectors. PERs might, therefore, usefully examine the linkage between cash budgeting and the ability to 'ring-fence' specific pro-poor elements within social sector budgets. Despite the methodological difficulties involved, greater integration of PAs and PERs should be promoted by attempting to gauge the net impact of government expenditure and taxation/user charges on the poor. A central aim should be to promote a process of dialogue and consensus building in public expenditure decisions, so that PAs and PERs evolve into key, pro-poor, national planning tools.

Themes emerging from the discussions in these two articles include the need for greater integration of poverty concerns into public reviews, the complexity of assessing the impact of macroeconomic policies on the poor, and the country specificity of poverty reduction policies. Recent research has shown that the responsiveness of income poverty to growth varies markedly among countries and that growth will not be an equally effective poverty reduction strategy in all areas. Demery, Sen and Vishwanath (1995), for example, find considerably higher headcount and poverty gap elasticities (with respect to distributionally neutral growth) in Asia than in most African countries.[7] Such variations in elasticities are primarily attributable to differences in the underlying distribution of income (especially in the vicinity of the poverty line), which itself will be a function of the pattern of growth and the effectiveness of poverty reduction policies in the past. As the *World Development Report 1990* (World Bank 1990, Box 3.3) shows, in countries where incomes are distributed relatively evenly, growth tends to be relatively effective in decreasing the incidence and depth of income poverty over time. When accompanied by improvements in the income distribution itself, as occurred in many Asian countries, broad-based growth can lead to dramatic reductions in poverty. But in situations where incomes are distributed more unequally, moderate growth may be unable to prevent the numbers in poverty rising – especially when population gowth is rapid. In these circumstances, policies to improve the income distribution and redistribute assets (in particular productive assets to the poor) are vital components of an effective poverty reduction strategy (Stewart 1993). Unfortunately, it is in precisely those countries where income inequalities are greatest, and redistributive policies are most needed, that elite resistance to such policies tends to be the most entrenched.

Macro policy and changes in the allocation of public expenditure may contribute to poverty reduction both by creating the conditions for broad-based growth and by promoting the human capital of the poor. The integration of poverty objectives into public expenditure reviews is certainly to be commended as a way to make decision-makers aware of the constraints to increased spending for social services to the poor. But appreciation of budgetary constraints does not necessarily provide policymakers with the administrative capacity or the political will to increase social spending in a pro-poor fashion. Increasing resource provision to the social sectors may end up benefiting the rich disproportionately. As with the issue of broad-based growth, questions of political economy – in particular, elite dominance – underlie the public expenditure debate. It is probably no coincidence that the countries with the most successful poverty reduction records in East Asia are the same countries where internal or external conditions have undermined the power of the traditional ruling classes (Perkins 1994).

Aid and poverty reduction

Poverty reduction is increasingly recognised as one of the 'overarching' aims of bilateral and multilateral aid. Yet the analysis of the poverty-reducing impact of most aid programmes is still in its infancy. Ideally, one would like to have a measure of the overall impact of aid on an international poverty, which could then be broken down by both donor and recipient countries according to a number of well-defined poverty measures. But, even if one sets aside all the methodological problems in conceptualising and measuring poverty discussed in the first section, this task is infeasible. Aid has both direct and indirect effects on poverty: the former through support to projects and programmes specifically aimed at the poor, and the latter through the promotion of long-term economic growth. In some circumstances, it may be possible to quantify the number of the poor benefiting from targeted interventions such as a public works scheme and the net income/consumption transfers they receive. However, economic models are not yet able to trace the indirect effects that aid has on economic growth and poverty reduction with any degree of accuracy. Given the long chains of counter-factuals and modelling assumptions involved, it is not surprising that WDR 90 concluded: 'A clear link between aid and the reduction of poverty has been hard to find' (World Bank 1990: 128).

Even if it was possible to find such a link, the policy conclusions would be far from clear-cut. Would it be preferable, for example, to give aid to countries where the incidence, depth or severity of poverty was greatest, or to those with policy environments that were pro-poor? If aid were channelled to countries where the incidence of poverty was highest, South Asia – which contains over 50 per cent of the world's poor – would be the main aid beneficiary. If aid were channelled to those with the greatest income or consumption shortfalls, sub-Saharan Africa would also be a major aid beneficiary. But if aid were to be concentrated on countries with favourable policy environments, most assistance would be channelled to those countries in East and South-East Asia with the best records in poverty reduction. In all cases, a regional concentration of aid flows markedly at odds with donors' geopolitical and other objectives would be generated.

Faced with these formidable problems, most analyses of the poverty orientation of aid have focused on the pattern of donors' aid disbursements and the contributions by White, Sawada and Maxwell follow this tradition. Howard White aims to unearth the reality behind 'donor's rhetoric of poverty reduction' by examining three approaches to measuring aid's poverty focus: the project, sectoral and country approaches. The project approach shows what proportion of a donor's aid budget is spent on poverty-focused projects; the sectoral approach calculates the proportion of aid that is spent in social priority sectors, such as health and education; and the country approach describes the proportion of aid going to countries with low per capita incomes.

White finds that both the project and sectoral approaches are plagued by definitional problems (e.g. how to define a poverty-oriented project or priority social sector) and tend to overestimate how much aid is spent on direct poverty reduction. Perhaps as a consequence, the proportion of aid spent on poverty-focused projects is rarely reported by donor agencies. However, the Programme of Targeted Interventions only classifies one-fifth of World Bank project lending as poverty focused at the project level, while the United Nations Development Programme (UNDP) reports that only 8.3 per cent of total bilateral and multilateral aid flows went to priority social sectors. In contrast, statistics based on the country approach, which are published regularly, reveal that over 90 per cent of total aid flows go to countries with per capita incomes of less than US$2,500 in 1991 terms. Aid disbursements are, however, very skewed towards a few middle-income recipients with relatively small populations. This is a particular problem for the two largest aid donors, the USA and Japan.

Yasuyuki Sawada examines the targeting of aid flows at the national level. Adapting an analytical result from the targeting literature, he demonstrates that if donors aim to reduce the global poverty gap, they should target aid towards countries where the incidence of poverty is highest. He then examines the performance of Japan, the UK, the USA and multilateral donors as a whole according to this criterion. The allocation efficiency and average potential effectiveness of Japanese aid is found to be relatively low compared to that of the UK and the multilateral agencies. Results for the USA indicate that poverty alleviation requires major revisions to the amounts disbursed under its Economic Support Fund if the efficiency and marginal effectiveness of its aid are to be improved. But unlike Japan and the UK, the USA is shown to have improved its aid effectiveness between 1985 and 1990. Explanations for the relatively poor performance of Japanese aid are sought in the complexity of its aid administration machinery and the concentration of its aid disbursements to East and South-East Asian countries.

Simon Maxwell takes a more institutional approach to analysing aid allocation. Using a case study of British bilateral aid, he argues that it can be difficult to trace the poverty-reducing effects of bilateral aid because of shifts in its composition over time. He argues that subtle shifts in the stated objectives of the Overseas Development Administration probably had less effect on aid composition than increases in the share of emergency aid, which now accounts for some 15 per cent of total British bilateral aid. This has increased the share of British aid going to the poorest countries but for the 'wrong' reasons. When emergency assistance is excluded, only 14 per cent of Britain's total aid expenditure in 1993/4 may be classified under the objective of direct poverty reduction. The increasing share of British bilateral aid which is devoted to technical cooperation and which is tied, also raises questions for the poverty-reduction focus of its aid programme.

Two major themes emerge from these articles and other reviews of aid (Cassen *et al.* 1986; Mosley *et al.* 1991; White and McGillivray 1995). First, whatever method is used to measure aid's poverty focus, it appears that a relatively small proportion of total aid is spent on projects or sectors specifically aimed at the poor. This is not, perhaps, surprising given the multiplicity of donors' objectives and the heterogeneity of recipient countries. It must also be recognised that the ongoing nature of most aid commitments implies rigidities in the allocation of aid. Given that it is just over five years since WDR 90 and only two or three since its incorporation into individual donor's aid strategies, it may still be too early to make a definite judgement on the impact of the 'new poverty agenda' on aid allocation. Nonetheless, the current statistics on the proportion of aid spent directly on poverty reduction and its average potential effectiveness are far from promising. It appears that donors could do much more than they do at present, to target aid towards their overarching objective of poverty reduction.

Second, just as focusing on the headcount index of poverty incidence blurs our image of depth and severity of income/consumption poverty, focusing on the proportion of total aid flows going to low- and lower–middle-income countries hides important information about the distribution of aid flows. Careful analysis of the distribution of aid flows among countries and the composition of aid instruments is needed to build up a comprehensive picture of the poverty focus of different aid donors. Just as rhetoric needs to be distinguished from reality in the stated objectives of aid programmes, so too does the actual distribution of aid need to be distinguished from the appearance given by summary statistics.

Conclusion

Reading the majority of policy articles which emanate from official aid donors, it would be easy to conclude that the intellectual problems of reducing poverty had been solved: that definitions of poverty were clear-cut, that the WDR 90 strategy of broad-based growth and improved provision of social services will be equally effective in all countries, and that the focus and impact of aid is well understood. This *IDS Bulletin* aims to contest that somewhat complacent consensus. Indeed we are still, as Sandrom (1994) has put it, 'very much on the learning curve'.

First, there is increasing recognition that standard definitions of poverty in terms of income and consumption need to be supplemented by other indicators of well-being (UNDP 1991; World Bank 1994). The conventional income/consumption measures used in poverty assessments do little to recognise the heterogeneity of the poor or the causal processes which lead people to fall below (or rise above) the poverty line. Along with well-being indicators, these measures also have limited capacity to capture the gender dimensions of poverty. For its part, the participatory approach is only as gender sensitive as its practitioners, and is often unable to generate the regional or national estimates of poverty required by policymakers. Rather than engaging in ever deeper disagreements about the relative merits of these approaches, researchers and policymakers need to develop ways to blend interactively their best aspects in order to make poverty measures more policy-relevant.

Second, it should be stressed that the two-pronged poverty reduction strategy of WDR 90 is firmly based on the East Asian experience. There is growing acknowledgement that this strategy of labour-intensive growth combined with wider access to basic social services will not be as effective in reducing poverty in other regions. The incidence and severity of income poverty is today much greater in much of Latin America and nearly all of sub-Saharan Africa than in East and South-East Asia. Differing cultural, political and social norms sharply constrain the extent to which different sections of the poor are able to convert rises in income and greater access to social services into improvements in individual well-being. In such circumstances, the WDR 90 strategy cannot be relied upon to raise the bulk of the poor above the poverty line. To prevent the poor in many countries (especially in sub-Saharan Africa) from simply 'dropping off the map', more radical interventions (such as land and asset redistribution, the provision of pro-poor credit and payments system reform) are required. In countries with substantial inequities in the structure of ownership, delivering such a package of pro-poor reforms usually leads to conflict with the elite groups that control the state (Nelson 1989) – indeed, it is these groups who often constitute the biggest constraint to poverty reduction.

Third, it is clear that bilateral and multilateral donors could do much more to target the poor. Despite the high proportion of aid that is disbursed to countries with low per capita incomes, probably no more than 15–20 per cent of aid is spent on activities which are intended to benefit the poor directly. The donors' mantra that 'aid contributes to growth, and growth contributes to poverty reduction' should not be taken at face value, because of wide divergences in country experience. Comparisons of the allocation performance of different donors indicate that there is considerable scope to improve the poverty focus of most aid programmes. Placing poverty reduction at the centre of donors' allocation decisions, however, requires a change in the reality not just the rhetoric of aid.

The most disturbing feature of the poverty reduction story is, however, the magnitude of the problem. The recent UN Summit on Social Development adopted a commitment 'to the goal of eradicating poverty in the world, through decisive national actions and international cooperation.' Yet, given current growth trends, it is projected that there will be 1.3 billion people living on incomes of less than US$1 a day by the year 2000 (World Bank 1993). The intensive research and policy dialogue that has occurred over the last seven to eight years has done much to illuminate the ways to reduce this vast sea of human misery and suffering. But the political economy of poverty and the demographic arithmetic means that the policy debate will be about the reduction rather than the eradication of poverty for many decades to come.

Notes

1 The editor would like to thank workshop participants for valuable comments on an earlier draft of this editorial and also Lisa Gold for excellent research assistance during the preparation of this *IDS Bulletin*.
2 A third prong, the provision of social safety nets, is identified in some accounts of WDR 90 (Addison 1994).
3 Workshop participants included Dr Simon Appleton, Dr Robert Baulch, Professor Robert Chambers, Ms Pat Holden, Dr Naila Kabeer, Professor Michael Lipton, Dr Andrew Mason, Mr Simon Maxwell, Mr Yasuyuki Sawada, Professor John Toye, Dr Howard White and Mr David Woodward.
4 In an important sense, this criticism is misplaced because Rowntree based his estimate of total poverty in York on the population in both primary and secondary poverty. His definition of secondary poverty, as those families giving an appearance of 'obvious want and squalor', is both relativist and based on the subjective perceptions of the investigator (Himmelfarb 1991).
5 Following Lipton (1983), ultra poverty is usually said to occur when more than 80 per cent of household expenditure is spent on food, yet less than 80 per cent of the FAO/WHO's minimum calorie requirements are met.
6 Jodha's (1988) much cited study in Rajasthan found changes in per capita incomes to be very poorly correlated with villagers' own criterion of ill-being, but is based on a truncated and extremely small sample. A more recent poverty assessment by the World Bank found income levels and an index of basic needs to be poorly correlated in rural Colombia.
7 The elasticity of a poverty measure with respect to growth shows the percentage change in a poverty measure such as the headcount index that results from a 1 per cent change in distributionally neutral growth. Growth is distributionally neutral if it does not alter the relative distribution of income (i.e. the Lorenz curve is unchanged).

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