


depict this project as but one step toward the de facto elimination of borders is more likely to inspire resistance than support. Nationalism is not the same as nativism. Piketty would certainly agree that much more thought needs to be given to how to accommodate national identities within a just and cooperative global order. In advocating bold proposals to meet the challenges before us, and backing them up with data, he dramatically advances egalitarian thinking for the 21st century.

Elizabeth Anderson   
University of Michigan  
Email: [eandersn@umich.edu](mailto:eandersn@umich.edu)

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**Elizabeth Anderson** is John Dewey Distinguished University Professor of Philosophy and Women's Studies at University of Michigan, Ann Arbor. She is the author of *Value in Ethics and Economics* (Harvard University Press, 1993), *The Imperative of Integration* (Princeton University Press, 2010), and *Private Government: How Employers Rule Our Lives (And Why We Don't Talk about It)* (Princeton University Press, 2017). She is currently working on the history of the work ethic from the Puritans, through classical political economy, to contemporary neoliberalism. URL: <http://www-personal.umich.edu/~eandersn/>

*Measuring Poverty Around the World*, Anthony B. Atkinson. Princeton University Press, 2019, xxvii + 464 pages.  
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Anthony Barnes ("Tony") Atkinson was a major figure in economics, providing fundamental contributions to the study of poverty, inequality and redistribution. Over six decades he published several books, many academic articles and policy papers that have profoundly influenced the field of public and welfare economics. He was able to produce ground-breaking work of both a theoretical and an empirical nature, an accomplishment very few scholars manage to achieve. Knighted by both British and French governments, he held prestigious roles such as the presidencies of a number of scholarly societies. When he died, on 1 January 2017, he was Centennial Professor at the London School of Economics and Fellow of Nuffield College, Oxford.

In his last book, *Measuring Poverty Around the World*, Tony discusses fundamental conceptual as well as empirical issues related to the measurement and analysis of poverty. He does this in non-technical language, which makes

the book widely accessible to non-specialist audiences, without any loss of accuracy or precision. This book is an excellent introduction to the most important issues in the measurement of poverty, and contains insights and ideas that leading scholars in the field will also find stimulating and challenging. Unfortunately, Tony died before he was able to complete his manuscript. The book is indebted to the competence, and generosity, of Andrea Brandolini and John Micklewright, who enabled Tony's unfinished manuscript to be published and take its current shape. François Bourguignon and Nicholas Stern enriched the book with remarkable afterwords which focus on two issues which in the book are rightly defined as 'truly fundamental': the relationship between poverty, inequality and economic growth, and the major role climate change can play in shaping the levels, trajectories and geographies of poverty in the future.

One of the main objectives of this book is to build a series of bridges. Bridges between refined theoretical accomplishments and a series of muddled concrete methodological and empirical challenges; between global poverty estimates produced by international organisations and the national poverty statistics produced by individual countries; between monetary and non-monetary poverty figures; between poverty estimated at one point in time and poverty over time; and many other bridges – not least, one between poverty research and advocacy. These bridges are important because experts in the field, whether academics, public servants or third sector, often work in isolation, pushing the boundaries of knowledge in different directions but too rarely connecting with one another.

The book is divided into 10 chapters. After an inspiring and comprehensive introduction, in Chapters 2–4 Tony addresses those fundamental conceptual issues that need to be kept in mind when embarking in measuring poverty or approaching poverty statistics. In particular, Chapter 2 discusses the possible meanings to be attached to the notion of poverty and reviews major frameworks that have informed the study of poverty in the social sciences – the basic needs approach, the capability approach, etc. Chapters 3 and 4 aim to provide a 'checklist' of key issues to be aware of, such as the choice between income and consumption as an underlying poverty indicator, purchasing power parity considerations, the level of measurement (e.g. individual or household), difference in needs, multidimensional approaches, data comparability across regions and over time, price indices and other important methodological challenges. Chapter 5 analyses monetary and non-monetary poverty figures produced by international organizations and discusses major global initiatives such as the Sustainable Development Goals. Chapters 6–9 look at poverty statistics for 60 countries across Asia, Africa, Latin America and the Caribbean, and high-income countries – comparing the evidence from the national studies with the global estimates of poverty from the international agencies. Chapter 10 concludes by reformulating the main messages of the book, including the consideration that while we should strive to improve the measurement of poverty around the world, the evidence we have is enough to call for action against poverty. In fact, from the first chapters of the book, Tony highlights the importance of measuring poverty to motivate political action – for at least two reasons. First, politicians are more likely to include fighting poverty in their political agenda if they are presented with clear poverty statistics. Second, for

policies to be effective, it is required that policymakers – and society in general – regularly assess their progress. Robust statistics are paramount for this goal, and it is crucial that they are constructed in a way that they can be useful as policymaking tools and not only for scholars to meet their research goals.

The structure of the book reflects Tony's approach to the measurement of phenomena such as poverty and inequality. Measurement must be based on theoretical principles, on conceptual views of what the phenomenon is or the way(s) in which it could or should be understood. Disagreement among researchers on the desirability of alternative (often contrasting) principles does not imply futility of the exercise. It is instead the result of the many nuances characterizing poverty and inequality, and of the variety of competing value judgements people may legitimately hold about them. What is crucial is that those principles are made explicit and are informed by sound reasoning, and that the tools developed through theoretical work can have concrete applications to the real world. Tony emphasizes that asking questions is as important as providing answers: many key questions may have multiple plausible answers, and the first peril is not asking them.

There are many powerful ideas throughout the book, and in what follows we will discuss some of them. Tony addresses the issue of whether poverty should be understood as an absolute or a relative phenomenon, and with regard to this issue he focuses on the capability approach. The ability to function in society is a concern that is intrinsically relative – the ability to fit in with society clearly depends on what one is able to have/do relative to others. In this sense, Tony stresses the fundamental relative character of the capability approach. However, an issue which Tony does not fully consider is the extent to which this relativity can be transferred from the identification of the *mesurandum* to the *mesurandum* itself. In other words, the selection of the relevant functionings or capabilities surely needs to be driven by relative concerns, as in a certain society what is deemed relevant is a function of what others have/do. But once the list is completed and indicators have been chosen, consider Sen's (1985: 670) remark that 'people's deprivations are judged absolutely, and not simply in comparison with the deprivations of others in that society'. Even for domains which are fundamentally relative, such as appearing in public without shame of inadequate clothing (relative to others), Sen identifies an 'absolutist core' in capabilities poverty – 'not so much having equal shame as others, but just not being ashamed, absolutely' (Sen 1983: 161).

Tony states that 'Our governments have lost sight of their obligation to act on behalf of all their citizens; they have allowed them to become subservient to economic forces' (8). He refers, *inter alia*, to the sense of insecurity that workers around the world are experiencing due to the inability of governments to properly regulate employment and tax wealth – central issues in the fight against poverty. Since labour is undoubtedly the main (and sometimes the only) resource that poor people possess, job security, understood as stability and good quality employment, should be considered as a relevant dimension of non-monetary poverty. While most analysts and policymakers in principle agree with this, strong actions are rarely taken. In Colombia (one of the countries included for analysis in this book), researchers have drawn attention to the desirability of

taxes on land property (Faguet *et al.* 2017). Very low or non-existent land tax rates have propagated high levels of economic inequality in rural areas, as land possession is an effective way to avoid taxation and be protected from inflation. This causes rigidity in land markets because the number of transactions is very limited, making it difficult to eliminate poverty since many poor peasants cannot access land – not even through rental markets. While the solution (properly taxing land property) has been widely advocated, no action is ever taken due to the power of landowner lobbies and the confluence of economic and political interests. A radical change of this situation would respond to Tony's explicit appeal 'to return to a situation where the economy is a means of fulfilling the life hopes and ambitions of people, not vice versa' (8). Tony rejects an economy where growth is achieved at the expense of people's well-being, where the increase in GDP is internalized as the goal rather than the means and where policies and norms are designed to serve powerful interest groups rather than of society at large.

Another powerful argument developed throughout the book concerns the fundamental role of participatory approaches in understanding and tackling poverty. Tony highly values research where poor people are asked about their own situations – after all, who is the best judge to evaluate one's situation, if not oneself. Nevertheless, Tony recognizes the potential for bias when people are asked to judge their own circumstances. On the one hand, adaptation to harsh situations can make individuals underestimate their poverty conditions, a phenomenon well illustrated by Sen (1990: 45): 'In situations of longstanding deprivation, the victims do not go on weeping all the time, and very often make great efforts to take pleasure in small mercies and cut down personal desires to modest – 'realistic' – proportions. The person's deprivation then, may not at all show up in the metrics of pleasure, desire fulfilment, etc., even though he or she may be quite unable to be adequately nourished, decently clothed, minimally educated and so on'. On the other hand, 'rising aspirations' may occur when people experience objective improvements in their life standards, and this makes them aim for even better living conditions with potentially no limit to improvements. Therefore, when individuals are asked about their own situations, they may evaluate them harshly despite the objective improvements achieved – underestimating their effective living standards. Despite those two potential biases in self-reported poverty, for which Tony does not discuss specific solutions, Tony strongly defends participatory approaches. Combined with more conventional methods, Tony sees them as valuable strategies to understand the real condition of the poor around the world. Along this line, the practice of listening to the 'the voices of the people' should be important not only for academics but also for multilateral organizations. The ability to compare national studies with worldwide poverty reports (one of the bridges Tony aimed to construct with this book, as mentioned above) requires both national researchers and global institutions to analyse poverty taking into account local realities through the voices of the poor.

Another bridge Tony set out to build is the one between refined theoretical accomplishments and concrete methodological and empirical challenges. One example of this is Tony's analysis of equivalence scales. In this context, he discusses Ferreira and Ravallion's (2009) argument that there are scarce benefits


to the departure from the per capita scale in international comparisons, given the lack of agreement on which scale should be used. Tony is not satisfied with this conclusion, and challenges researchers to find out how levels of poverty would change with alternative assumptions on per capita adjustment: 'With a basic needs foundation for the estimate of global poverty, it seems impossible to ignore the differing needs of households made up of different numbers and people of differing ages, even if we cannot agree on just how large those differing needs are. At least we need to know how the levels and patterns of poverty would vary with alternative assumptions to the per capita adjustment' (78).

The construction of all the bridges mentioned by Tony requires that researchers and international organizations can access data, as explicitly remarked in the book. Availability of information is a major challenge for users, especially in developing countries where the problem is twofold. First, longitudinal data do not exist or are scarce, and are often of poor quality. Second, in many cases anonymized administrative data – such as those from tax authorities – exist but are not available to researchers unless they have a personal contact inside the institutions in charge. As this problem reduces the potential empirical strategies that researchers and policymakers can employ to study poverty and make policy decisions, this is an urgent area where governments should offer a solution.

Finally, we want to highlight another striking argument – and very appropriate during this Covid-19 period, which has shown starkly how our individual behaviours affect the collective. Tony reminds us of the fact that our individual decisions and actions exist not in isolation, but do in fact have an impact on other members of the community, which makes standard microeconomic theory a limited tool to analyse poverty. For example, standard consumption and production theories analyse economic behaviour based on the assumption that economic agents make decisions considering only their own private benefits and costs. In a similar fashion, standard utility theory assumes that one's utility depends only on one's own income and not on others'. Such assumptions fail to account for the relational nature of human existence. Tony's remark should encourage researchers and policymakers aiming to study poverty to take into account a wider set of variables – social benefits and obligations, distributional issues, positive and negative externalities, to name a few. Among the most worrying negative externalities, Tony includes environmental costs. Here comes another of the bridges the book wants to build: the one between fighting poverty and the actions to deter environmental degradation – by which he means not only pollution and climate change, but also all those impacts on natural equilibria which may challenge our existence.

This book can be seen as Tony's final endeavour towards a goal which he advocated in his 1987 *Econometrica* paper based on his Walras–Bowley Lecture, namely the achievement of 'a greater degree of vertical integration between the statistical measurement of poverty on the one hand and welfare economics on the other' (Atkinson 1987: 763). Tony's work over the years brought us a long way towards achieving this goal, and this book provides a further important contribution. But this book does more than this, because it is an encouragement to use sound research to fight poverty. Tony was all too aware that clear figures about the amount and the characteristics of poverty in the world are crucial to

prompt action and to design effective policies. Despite a general rise in mean income, Tony laments, in a number of countries, including high income ones, poverty has become more entrenched. This echoes Thomas Pogge's (2002: 198) notion of 'radical inequality' and Piketty's (2014: 571) statement that 'the past devours the future'. The book is dedicated to the young generations in the hope of a different future, one where poverty will have disappeared – around the world.

Lucio Esposito   
 University of East Anglia  
 Email: [lucio.esposito@uea.ac.uk](mailto:lucio.esposito@uea.ac.uk)

Blanca Zuluaga   
 Universidad Icesi  
 Email: [bzuluaga@icesi.edu.co](mailto:bzuluaga@icesi.edu.co)

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**Lucio Esposito** is Associate Professor of Development Economics in the School of International Development at the University of East Anglia, UK. He carries out theoretical and empirical research on poverty and inequality, using secondary data as well as primary data collected in 16 countries across Africa, Asia, Europe and Latin America. He enjoys engaging in interdisciplinary research, and in his work he employs quantitative as well as mixed research methods. He is Editor-in-Chief of *Development Studies Research*.

**Blanca Zuluaga** is Associate Professor of Economics Policy and Public Economics in the Economics Department at Universidad Icesi, Cali-Colombia, where she is the current chief of the doctoral program in Business Economics. Her research interests are poverty, inequality, gender, ethnical studies and labour markets. Her work is mainly empirical and quantitative, although she has recently engaged in qualitative research and interdisciplinary studies.